

# Activities

This section looks in more detail at what services the Council provides and why. It details what level of service will be provided and how this will be measured as well as some of the key issues related to the activity. It also includes details of projects (operational or capital) which are planned and explains any variations from what was planned for the 2011/2012 year in the Ten Year Plan. Lastly it details how much the activities will cost and how it will be funded.

# Guide to Activities

This section sets out the 27 activities that the Council will provide in an effort to work towards the communities' outcomes. For each activity it identifies what we do, why we do it, the level of service that Council will provide, any key issues, projects planned for the year and how much it will cost and be funded. It also explains any differences between the Annual Plan 2011/2012 and what was planned in the Ten Year Plan 2009-2019.

## 1 Beautification

*Aim: Provide features which contribute to township visual focus and attractiveness.*

What we do  
Beautification can be described as enhancing public areas within the community. For example plantings, flower baskets or gardens, mowing and maintenance of grassed areas, painting and maintenance of trees and hedges, structures like walkways and seating areas, and the development of urban design guidelines are all part of the beautification activity.

Why we do it  
Beautification features contribute to making Scotland a great place to live by enhancing the visual appeal of townships which also helps to build community pride. These features also contribute to safe places by reducing a residential area - traffic calming and a lowered environment through use of mature plants or plantings which help to reduce noise.

What are the key issues?  
There are no key issues for this activity.

What level of service will Council provide?  
Primary outcome: Scotland is a great place to live (1)  
Intermediate outcome: We are proud to be Scottish (1, 2)

What Council will provide	How Council will measure the service provided	Actual 2010	Target 2012	Service - Standard
Level of Service Quality New location features enhance the township features and provide visual and/or physical enjoyment.	Key Performance Indicator Percentage of residents who agree that beautification features enhance the local township.	90%	85%	Survey - Resident
Quality Beautification features look good and are well maintained.	Percentage of residents who are satisfied with the maintenance of beautification features.	90%	85%	Survey - Resident
Responsiveness Vandalism and graffiti is responded to promptly.	Percentage of reports of vandalism and graffiti responded to within five working days.	90%	80%	Partners

1 - Reports of vandalism or graffiti responded to within five working days on paths, playgrounds, public areas, etc., correctly leaving bills out the building.  
2 - A Resident survey will be undertaken in 2010/2011 to measure the result of this action 2009/2010.  
Note that the targets above are the same for the next 10 years.

## 5

What are the projects and variances from the LTCCP?  
Asset Acquisition Projects - Covered by changes to levels of service.

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Obelisk - Township-Walking Trails - 101.8		\$0.000	Reserves	This is a new project to develop walking tracks on the strip lands around the Obelisk. It is part of a project that will be completed over four years costing \$20,000 in total. It replaces the project planned for 2010/2011 to develop a track from Obelisk to the Adoration as it is believed it will be more accessible and safe.
To Area - Replace concrete wall blocks around garden (at the rear street - 011.8)	\$4,201	\$4,201	Rates	-

## 6

Cost of Service Statement Variances  
There are no major variances from the LTCCP.

Who benefits from the activity and how is it funded?  
The local community is the primary beneficiary of beautification activity, though it also enhances visitor experiences. Beautification projects have long term benefits, but require annual maintenance to retain their value. Operating expenses are funded from local rates, with recoveries where appropriate for specific projects. 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 interest), all of which are recovered through rates.

## 7

What does it cost?  
LTCCP 2010/2011     LTCCP 2011/2012     Annual Plan 2011/2012

REVENUE AND EXPENSE	2010/2011	2011/2012	2011/2012
Operating Revenue	772,340	876,416	711,648
Rates	-	-	12,000
Grants and Donations	372,340	876,416	729,648
Total Operating Revenue	1,144,680	1,752,832	1,441,296
Operating Expenditure	19,862	18,234	18,234
Depreciation	881,774	874,286	877,973
Other Operating Costs	243,044	860,306	545,689
Less Total Operating Expenditure	71,680	1,752,832	1,441,296
Operating Surplus/Deficit	1,073,000	0	0
Operating Surplus/Deficit transferred (Included Total Reserves)	1,073,000	0	0
CAPITAL AND RESERVES			
Acquisition-Level of Service	125,720	4,231	34,219
Renewals	15,405	-	-
Total Capital Expenditure	141,125	4,231	34,219
Transfers to Reserves	257	194	4,201
Total Capital Movements	141,382	4,425	38,420
Operating Deficit	1,073,000	0	0
Total Funding Required	1,073,000	0	0
Funded By			
Non Cash Expenditure	19,862	18,234	18,234
Transfers from Reserves	48,281	2,191	18,735
Operating Surplus	71,680	0	0
Total Funding Applied	139,823	20,425	37,000

1. **Aim and what we do** - Details the aim of the activity as well as a brief description of what is involved in the activity.
2. **Why we do it** - Details the reasons why we provide the activity and how this contributes to community outcomes (performance management framework).
3. **What are the key issues** - This section explains the key issues related to the activity which the Council wants to highlight.
4. **What level of service will Council provide?** - The level of service that will be delivered for each activity and how Council will measure its performance including the target for 2010/2011. This also details the most recent achievement from the Annual Report. The note at the end of the table also indicates whether the Council's target is improving over time.
5. **What are the projects and variances from the LTCCP?** Includes a table of any projects which are to be carried out in 2010/2011 as well as any variations in cost/timing from the LTCCP. Projects are broken into operations and maintenance, renewal/replacement and asset acquisition in each township. Asset acquisition projects relate to proposals for new or enhanced assets to meet changes in demand (D) or levels of service (LoS). Also explains any key financial variances which are shown in the cost of service statement for the activity.
6. **Who benefits from the activity and how is it funded?** - This section identifies who benefits from the activity and therefore how the activity should be funded. This may be through rates (District and local), fees, charges, borrowing, interest and dividends, grants and subsidies or any other sources. This information is taken from the full Revenue and Financing Policy.
7. **What does it cost?** - This section provides a summary of the expenses and revenues of the activity for 2010/2011. Operating Revenue includes rates, fees and charges (such as building consents, hire fees or dog registration fees), any subsidies or grants received and investment income from interest on funds invested. Operating Expenditure relates to the routine or day-to-day running costs of the activity. It includes the cost of maintaining assets, repairs, salaries and contracts, interest expenses and depreciation. Capital Expenditure includes expenditure to renew, replace or purchase new assets. This expenditure has been broken down into renewals, acquisitions related to service levels, acquisitions due to demand and also assets vested to Council (Vested Assets) as a result of development such as subdivisions. This statement also shows how loans and reserves are used during the period. Transfers to reserves are generally monies that are being put aside for future projects or repaying funds that have been used in the past. Transfers from reserves are generally monies that have been set aside for projects which are now being undertaken. These transfers may also be for alternative projects with the reserves paid back in the future. For more information on the terms used in the financial statements, please refer to the glossary on page 174.

ANNUAL PLAN 2011/2012

ACTIVITIES ◀

27

# Beautification

*Aim: Provide features which contribute to townships visual theme and attractiveness.*

## What we do

Beautification can be described as enhancing public areas within the community. For example plantings, flower baskets or gardens; mowing and maintenance of grassed areas; planting and maintenance of trees and hedges; structures like walkways and seating areas; and the development of urban design principles are all part of the beautification activity.

## Why we do it

Beautification features contribute to making Southland a great place to live by enhancing the visual appeal of townships which also helps to build community pride. These features also contribute to safe places (by indicating a residential area - traffic calming) and a treasured environment (through use of native plants or plantings which help to reduce noise).

## What are the key issues?

There are no key issues for this activity.

## 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 09/10	Target 11/12	Source	
<b>Primary outcome: Southland is a great place to live (1)</b> <span style="float: right;">1. LIFESTYLE and CULTURE 3. LAW and ORDER 6. ENVIRONMENT</span> Intermediate outcome: We are proud to be Southlanders (1.4)					
Quality Beautification features enhance the township features and provide visual and/or physical enjoyment.	Percentage of residents who agree that beautification features enhance the local township.	96% <sup>2</sup>	85%	Survey - Resident	
Quality Beautification features look good and are well maintained.	Percentage of residents who are satisfied with the maintenance of beautification features.	93% <sup>2</sup>	85%	Survey - Resident	
	Percentage of beautification features that are maintained in accordance with contractual standards.	98%	90%	Audit Inspections	
Responsiveness Vandalism and graffiti is responded to promptly.	Percentage of reports of vandalism and graffiti responded to within two working days. <sup>1</sup>	56%	80%	Pathways	
1. Reports of vandalism or graffiti may relate to a range of activities such as parks, playgrounds, public conveniences, community housing, halls and other buildings. 2. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.					

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

Asset Acquisition Projects - Caused by changes to levels of service

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Otautau – Township Walking Tracks – 651.a	-	\$5,000	Reserves	This is a new project to develop walking tracks on the stop banks around the Otautau township and will be completed over four years costing \$20,000 in total. It replaces the project planned for 2010/2011 to develop a track from Otautau to the Arboretum as it is believed it will be more accessible and safe.
Te Anau – Replace concrete wall blocks around garden plots main street – 611.b	\$4,231	\$4,231	Rates	-

### Cost of Service Statement variances

There are no major variances from the LTCCP.

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

The local community is the primary beneficiary of beautification activity, though it also enhances visitor experiences. Beautification projects have long term benefits, but require annual maintenance to retain their value. Operating expenses are funded from local rates, with recoveries where appropriate for specific projects. 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?

LTCCP 2010/2011	Beautification	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
772,940	Rates	676,418	711,848
-	Grants and Donations	-	13,000
772,940	<b>Total Operating Revenue</b>	676,418	724,848
<b>Operating Expenditure</b>			
19,662	Depreciation	18,534	18,534
681,734	Other Operating Costs	674,086	707,973
701,396	<b>Less Total Operating Expenditure</b>	692,620	726,507
71,544	<b>Operating Surplus/(Deficit)</b>	(16,202)	(1,659)
71,544	Operating Surplus/Deficit transferred to/(funded from) Reserves	(16,202)	(1,659)
<b>CAPITAL AND RESERVES</b>			
123,720	Acquisition-Level of Service	4,231	34,219
15,495	Renewals	-	-
139,215	<b>Total Capital Expenditure</b>	4,231	34,219
252	Transfers to Reserves	194	1,391
252	<b>Total Capital Movements</b>	194	1,391
-	Operating Deficit	16,202	1,659
139,467	<b>Total Funding Required</b>	20,627	37,269
<b>Funded By</b>			
19,662	Non Cash Expenditure	18,534	18,534
48,261	Transfers from Reserves	2,093	18,735
71,544	Operating Surplus	-	-
139,467	<b>Total Funding Applied</b>	20,627	37,269

# Building Control

*Aim: To provide a safe built environment.*

## What we do

The Building Control activity involves the regulation of building work through processing and issuing consents, carrying out inspections and certifying work to ensure that buildings are safe and sanitary. In 2007 Council became an accredited Building Consent Authority, and to remain accredited, the Council is regularly reviewed in terms of its processes and competency. The activity also involves inspections of amusement devices to ensure they have appropriate barriers and are sited safely.

## Why we do it

Building Control contributes to a treasured environment by helping to create a healthy, safe and accessible built environment. Building consents and inspections ensure new buildings and building work in the District are of good quality so that they are safe, do not endanger public health and have appropriate facilities for their intended use. The activity also contributes to creating safe public places by ensuring appropriate provisions are made to enable people to escape in the event of fire. In the activity, the Council must comply with the legal requirements of the Building Act 2004, NZ Building Code, Building Regulations 2004, Machinery Act 1950, Amusement Device Regulations 1978 and Fencing of Swimming Pools Act 1987.

## What are the key issues?

### *Earthquake-prone and Insanitary Building Policy*

Council has recently reviewed its Dangerous Earthquake-prone and Insanitary Building Policy. Previously Council had quite a passive policy, but recent natural disasters have highlighted the significance of this matter and Council has moved to a more proactive policy requiring strengthening of earthquake prone buildings over defined timeframes.


### *Building Control Fees*

Building control fees are calculated on recovering costs associated with its activities. Expenses in 2011/2012 are estimated to increase therefore the fees charged have increased. Despite the increase in fees these are still much lower than a lot of other lower South Island Building Consent Authorities.

### *Building Activity*

The decline in building activity currently being experienced is expected to continue during 2011/12 financial year. Changes to the Building Act around exempting a broader range of building work where a licensed building practitioner is involved is expected to further reduce consent workloads for Council staff towards the end of 2011/12 financial year.

### 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	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
Responsiveness Process all applications lodged under the Building Act within the timeframes specified within the Act.	Percentage of Building consents, Project Information Memoranda (PIMs), Land Information Memoranda (LIMs) and Certificate of Acceptance (COA) applications processed within statutory timeframes <sup>1</sup> .	97%	100%	Quarterly Report
Responsiveness Undertake inspections in a timely manner.	Percentage of final inspections on completed building work carried out within 20 working days of application.	52%	100%	Quarterly Report
	Percentage of applicants that agree that on-site building inspectors provide a consistent, timely and professional service.	77% <sup>2</sup>	80%	Survey - User
Responsiveness Appropriate and timely guidance is provided regarding building control matters as requested by customers.	Percentage of applicants satisfied with the service provided.	71% <sup>2</sup>	80%	Survey - User
Quality Ensure that the Council remains a Building Consent Authority to help ensure buildings are safe.	Maintain accreditation as a Building Consent Authority.	Yes	Yes	Accreditation
Quality Ensure that building work complies with the Building Code to ensure communities are safe.	Number of potential liability claims against Council.	9	0	Register
1. Statutory timeframes for the various applications are as follows - PIMs (12 working days), LIMs (10 working days), Building Consents (20 working days) and Certificates of Acceptance (20 working days). 2. A Building Control User survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no projects planned or any major variances from the LTCCP.

### Cost of Service Statement variances

There are no major variances from the LTCCP.

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

These benefits are distributed between individual building owners, potential purchasers and all members of the community (who are assured that buildings are constructed to a recognised standard). Those involved in construction and renovation create the need for this activity. Council estimates that 80% of the benefit from this activity accrues to private individuals and businesses, the majority of which is funded through user charges. Unfortunately, not all activities with private benefit are recoverable under the Building Act 2004. Therefore 20 - 25% of the cost of this activity is funded through the Building Regulation rate levied 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?

LTCCP 2010/2011	Building Control	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
250,670	Rates	277,362	270,327
1,032,253	Activity Revenue	1,053,760	1,038,242
1,282,923	<b>Total Operating Revenue</b>	1,331,122	1,308,569
<b>Operating Expenditure</b>			
31,090	Depreciation	30,710	32,111
1,284,038	Other Operating Costs	1,319,695	1,308,405
1,315,128	<b>Less Total Operating Expenditure</b>	1,350,405	1,340,516
(32,205)	<b>Operating Surplus/(Deficit)</b>	(19,283)	(31,947)
(32,205)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(19,283)	(31,947)
<b>CAPITAL AND RESERVES</b>			
-	Acquisition-Level of Service	-	650
32,978	Renewals	33,156	66,568
32,978	<b>Total Capital Expenditure</b>	33,156	67,218
25,468	Transfers to Reserves	18,225	17,457
25,468	<b>Total Capital Movements</b>	18,225	17,457
32,205	Operating Deficit	19,283	31,947
90,651	<b>Total Funding Required</b>	70,664	116,622
<b>Funded By</b>			
1,934	Non Cash Expenditure	1,554	1,554
88,717	Transfers from Reserves	69,110	115,068
-	Operating Surplus	-	-
90,651	<b>Total Funding Applied</b>	70,664	116,622

# Cemeteries

*Aim: To provide burial facilities that meets the needs of the community.*

## What we do

This activity involves providing burial and interment facilities for the 21 cemeteries administered by the Council. The activity also involves ensuring interments are carried out to an acceptable standard and that the cemetery grounds are maintained and accurate records of interments are kept.

## Why we do it

The cemetery activity contributes to ensuring public health by providing appropriate facilities for interments, as well as encouraging a compassionate and caring community by providing facilities where families and friends can remember others. The activity also contributes to making Southland a great place to live by providing a record of a community's history and heritage as well as information for people interested in their ancestry. In the activity, the Council must comply with the legal requirements of the Burial and Cremation Act 1964 and the Health Act 1956.

## What are the key issues?

*Culturally Appropriate Burial Options –*

Council adopted a revised Inclusive Communities Strategy and Action Plan in 2011 and as part of this Council said it would investigate culturally appropriate burial options, and enhance internal processes for supporting these over the coming year. Council has had discussions with the Multi-Nations Council, and through the Council the local Muslim community and in their view the facilities currently available at the Invercargill Cemetery are sufficient to meet the needs of Southlanders. An option for Māori is also currently being considered by the Waihopai runaka. Council will regularly reassess what services it is able to provide as part of its review of the Inclusive Communities Strategy and any individual requests will be considered.

## 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)



What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Quality The cemeteries are pleasant areas with appropriate grassed areas for mourners.	Percentage of community satisfied with the appearance of cemeteries.	93% <sup>1</sup>	90%	Survey - Resident
	Percentage of cemeteries where lawns are mown as specified in maintenance contracts.	93%	90%	Audit Inspections
Reliability Requests for burial plots are dealt with as requested.	Percentage of funeral directors satisfied with the service provided.	100%	100%	Survey - Funeral Directors
	Percentage of burial plots prepared by the time requested.	100%	100%	Quarterly Report
Accessibility Cemetery records are kept up to date and held in an appropriate format to allow ongoing access.	Provide access to cemetery records through the Council website.	Yes	Yes	Council website statistics

1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

#### Operational and Management Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Woodlands – Tree and Hedge tidy up – 704.a	\$6,000	\$5,000	Rates	Decrease in budget due to the scope of the project being revised, to reflect actual work required.

### Cost of Service Statement variances

There are no major variances from the LTCCP.

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

The estate and family of deceased persons, residents, and the public at large benefit from the provision of cemeteries. The Council's position is that direct costs of burial, including plot preparation and staff administration are recovered through interment fees while the maintenance of cemeteries, such as mowing, is funded from local rates. Capital costs (largely limited to land acquisitions) may be funded from reserves, or loans that are, in turn, funded from local rates. The reason for this is because the benefits of individual burials largely accrue to the deceased's estate, therefore it is appropriate that these direct costs are funded by that estate. However, there is benefit to the local area in a well maintained cemetery, both in terms of maintaining its historical value, and amenity values. Therefore the maintenance costs are funded by the local community.

### What does it cost?

LTCCP 2010/2011	Cemeteries	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
65,410	Rates	65,701	65,835
107,169	Activity Revenue	109,626	122,529
-	Grants and Donations	-	1,150
172,579	<b>Total Operating Revenue</b>	175,327	189,514
<b>Operating Expenditure</b>			
4,429	Depreciation	3,480	3,480
168,463	Other Operating Costs	175,327	192,070
172,892	<b>Less Total Operating Expenditure</b>	178,807	195,550
(313)	<b>Operating Surplus/(Deficit)</b>	(3,480)	(6,036)
(313)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(3,480)	(6,036)
<b>CAPITAL AND RESERVES</b>			
8,248	Acquisition-Level of Service	-	-
8,248	<b>Total Capital Expenditure</b>	-	-
-	<b>Total Capital Movements</b>	-	-
313	Operating Deficit	3,480	6,036
8,561	<b>Total Funding Required</b>	3,480	6,036
<b>Funded By</b>			
4,429	Non Cash Expenditure	3,480	3,480
4,132	Transfers from Reserves	-	2,556
-	Operating Surplus	-	-
8,561	<b>Total Funding Applied</b>	3,480	6,036

# Civil Defence Emergency Management

*Aim: To ensure planning, systems and resources are in place for individuals and communities to proactively respond to and recover from emergencies that threaten life, property or infrastructure.*

## What we do

Civil Defence Emergency Management focuses on ensuring that communities are prepared for emergencies and that they are able to respond to and recover from these when they do happen. The activity also involves reducing the potential risks which may occur to people and property through lifelines planning. Southland's councils along with key emergency services (Fire, Police, Ambulance) and other agencies work together to deliver emergency management services across communities and co-ordinate the response efforts. One of the key aspects of preparedness in Southland (because of its geographic spread and potential for isolation) is having a pool of appropriately trained personnel available throughout the District who are able to respond locally and educating residents on what to do in an emergency.

Southland District Council now delivers its civil defence responsibilities under the Civil Defence and Emergency Management Act 2002 via its participation in Emergency Management Southland, which is a shared service funded by Environment Southland, Invercargill City Council, Gore District Council and Southland District Council. Emergency Management Southland's Emergency Operations Centre is based on the Environment Southland site.

Emergency Management Southland produces an annual Statement of Intent outlining its proposed activities and operates under a Heads of Agreement between the four Councils, and employs four full time staff as well as managing a large network of volunteers.

## Why we do it

The activity mitigates negative impacts on many community outcomes in the event of civil emergency. Council promotes the need for individuals and communities to prepare for emergencies and assists them to build their capacity to effectively respond to and recover quickly from emergency events. Council also has in place systems and processes to help co-ordinate and respond to emergency events. This contributes to restoring quality infrastructure, safe roads, safe homes, healthy lifestyles, access to health services, and ensuring a safe, healthy and accessible built environment. Preventative/proactive work also reduces the costs of recovering from emergencies.

The Council also has a responsibility to protect life, health and property under the Civil Defence Emergency Management Act 2002. The activity must also give effect to the Civil Defence Emergency Management Group Plan.

## What are the key issues?

### *Emergency Management Southland's Activities*

Emergency Management Southland will be focusing on sector and staff training during 2011/2012, as well as maintaining and enhancing public awareness of pertinent emergency management and natural hazard issues such as flood, tsunami and earthquake risks, and preparedness for natural disasters.

### 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)



What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Access Provide Civil Defence Emergency Management services throughout the District via a distributed organisational system.	Number of Civil Defence Sectors capable of responding to an emergency. <sup>1</sup>	15	15	Audit
Readiness Ensure that Civil Defence Emergency Management personnel are adequately trained.	Percentage of District Emergency Operations Centre personnel trained to Co-ordinated Incident Management System (Level 2).	Not measured	80%	Quarterly Report
	Percentage of Sector personnel trained to Co-ordinated Incident Management System (Level 2).	Not measured	80%	Quarterly Report
Readiness Provide public education on hazards, hazard reduction and emergency event readiness.	Number of public education activities delivered to residents, schools and interest groups.	12	10	Quarterly Report
	Percentage of residents aware of the need to be prepared for a Civil Defence emergency.	98% <sup>2</sup>	80%	Survey - Resident
	Percentage of residents prepared for a civil defence emergency.	64% <sup>2</sup>	80%	Survey - Resident
Readiness Provide Emergency Operations Centres to enable the management of civil defence emergencies.	Number of primary emergency operations centres, emergency power generator and alternative communication systems available.	EOC - 1 Power - 1 Comms - 3	EOC - 1 Power - 1 Comms - 3	Audit
	Percentage of District and Sector Emergency Operations Centres with required number of standard operating procedures (SOPs). <sup>3</sup>	100%	100%	Audit
Responsiveness Maintain a level of preparedness to ensure a timely and effective emergency response is able to be delivered when required.	Facilitate an annual Civil Defence exercise to test readiness/response arrangements.	0	1	Report to CDEM Committee
	Participate in national exercise programmes to test readiness/response arrangements.	0	1	Report to CDEM Committee

1. "Capable of responding" means having a sector Emergency Operations Centre (EOC) with a Sector Manager and 10 - 20 volunteer staff.

2. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.

3. Total of 20 SOP's required (5 held in the District EOC; 15, one in each of the Sector EOCs)

Note the above levels of service and key performance indicators may be reviewed in the future by the new regional agency.

### What are the projects and variances from the LTCCP?

There are no major projects planned for 2011/2012.

### Cost of Service Statement variances

Although the operations of Civil Defence have become a shared service, existing commitments in terms of internal services provided and interest costs on the generator purchased to provide power in an emergency have increased costs in the current year. In addition, operating costs for Emergency Management Southland have increased, and therefore the Council's share of these costs, by way of a grant, has also increased.

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

Benefits are distributed between those affected by the emergency, ratepayers and the public in general whose assets may be protected or reinstated. The activity should be 100% funded through the Civil Defence and Rural Fire rate levied on land value, District-wide, with input from Government funding where applicable, and cost recoveries if feasible. 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?

LTCCP 2010/2011	Civil Defence and Emergency Management	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
265,079	Rates	277,197	296,042
265,079	<b>Total Operating Revenue</b>	277,197	296,042
<b>Operating Expenditure</b>			
8,817	Depreciation	8,289	2,553
265,410	Other Operating Costs	269,161	345,687
274,227	<b>Less Total Operating Expenditure</b>	277,450	348,240
(9,148)	<b>Operating Surplus/(Deficit)</b>	(253)	(52,198)
(9,148)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(253)	(52,198)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
11,752	Loans Repaid	12,690	13,060
11,752	<b>Total Capital Movements</b>	12,690	13,060
9,148	Operating Deficit	253	52,198
20,900	<b>Total Funding Required</b>	12,943	65,258
<b>Funded By</b>			
3,081	Non Cash Expenditure	2,553	2,553
17,819	Transfers from Reserves	10,390	62,705
-	Operating Surplus	-	-
20,900	<b>Total Funding Applied</b>	12,943	65,258

# Community Centres

*Aim: Provide facilities that meet the social, cultural, recreational and educational needs of the community.*

## What we do

The Council owns (on behalf of local communities) community centres in 35 locations throughout the District and contributes funding to various other community owned halls. The operation of these halls is generally carried out by individual Hall Committees or local Community Board or Community Development Area Subcommittee members. These groups manage bookings and use of the halls and work with Council Property staff regarding maintenance of the buildings involved.

## Why we do it

Community centres contribute to making Southland a great place to live by providing accessible facilities for communities, clubs, organisations and individuals to enjoy sporting, social, cultural, educational and recreational pursuits. Community centres also contribute to community pride as they form a physical heart of a community and serve as a record of the community's achievements. In addition they provide safe public places for children and families as well as contributing to healthy lifestyles by hosting active recreational pursuits.

## What are the key issues?

### Aparima Hall Rate –

Council approved a request from the Aparima Hall Committee to establish a new rate to collect funds to pay for the maintenance of the Aparima Public Hall (Hundred Line Road West). The rate is \$35 (excl GST) and will be paid by ratepayers with properties that have dwellings surrounding the hall not already paying a hall rate. More details about the new rate can be found on page 159.

## What level of service will Council provide?

### Primary outcome: Southland is a great place to live (1)

Intermediate outcome: We have a choice of quality places to go and things to do (1.2)



What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Quality Community centres are appropriate to the community needs.	Percentage of residents satisfied with the standard of their local hall/community centre for public use.	95% <sup>1</sup>	90%	Survey - Resident <sup>1</sup>
Access Community centres are available for public use.	Percentage of residents satisfied with the availability of their local hall/community centre for public use.	97% <sup>1</sup>	90%	Survey - Resident
Safety All facilities are safe.	Percentage of community centres that are safe. <sup>2</sup>	87%	100%	Annual Inspections

1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.

2. "Safe" means meeting Fire and Building Act requirements.

Note that the targets above are the same for the next 10 years.

## What are the projects and variances from the LTCCP?

### Operational and Management Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Otautau – Seismic Testing - hall0018.a	-	\$270,000	Loan	This project was originally planned for 09/10 however was put on hold while the Board looked at options around disposing the hall. A community group

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
				interested in saving the hall has now formed a Trust and . . . are looking at options for the town and consulting with potential user groups.

### Cost of Service Statement variances

The deferral of the Otautau Hall Seismic Strengthening Project (as mentioned above) from 2009/2010 to 2011/2012 has resulted in other operating costs and loans raised increasing. The Te Anau carpark loan is to be repaid from Te Anau General reserves, therefore reducing loans repaid and associated interest expense.

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

The whole community benefits, as the halls are a place to meet and interact. In particular clubs and individuals who hire the halls benefit. Approximately 90% of operating costs are sourced from community centre levies; additional funding is through user pays, fundraising and grants. Capital expenditure is funded in a similar manner, but may also include the use of loans for significant projects, to be repaid by rates.

### What does it cost?

LTCCP 2010/2011	Community Centres	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
335,073	Rates	340,970	319,722
48,379	Activity Revenue	49,473	51,261
383,452	<b>Total Operating Revenue</b>	390,443	370,983
<b>Operating Expenditure</b>			
122,961	Depreciation	122,575	122,575
414,457	Other Operating Costs	336,273	605,767
537,418	<b>Less Total Operating Expenditure</b>	458,848	728,342
(153,966)	<b>Operating Surplus/(Deficit)</b>	(68,405)	(357,359)
(153,966)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(68,405)	(357,359)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
19,048	Loans Repaid	20,567	-
35,903	Transfers to Reserves	37,219	42,112
54,951	<b>Total Capital Movements</b>	57,786	42,112
153,966	Operating Deficit	68,405	357,359
208,917	<b>Total Funding Required</b>	126,191	399,471
<b>Funded By</b>			
-	Loans Raised	-	270,000
122,961	Non Cash Expenditure	122,575	122,575
85,956	Transfers from Reserves	3,616	6,896
-	Operating Surplus	-	-
208,917	<b>Total Funding Applied</b>	126,191	399,471

# Community Housing

*Aim: Provide affordable community housing where needed.*

## What we do

The activity provides 69 housing units located in Edendale, Lumsden, Nightcaps, Ohai, Otautau, Riversdale, Riverton, Tuatapere, Winton and Wyndham. These units are let primarily to those persons who are on a pension, or those that are not on a pension but for some reason require this type of housing. The units are inexpensive and suit those on a fixed income and the small size suits those that are unable to maintain large properties. Rents from tenants are used to maintain and upgrade the units as required.



## Why we do it

Community housing contributes to a healthy community by providing good quality affordable housing to a group with specific needs. It also fosters a compassionate caring community by allowing people, where possible, to remain living in their local community if their family home becomes inappropriate for their individual circumstances. The Council also has a responsibility under the Residential Tenancies Act 1986. The activity is also associated with the New Zealand Housing Strategy.

## What are the key issues?

Community Housing rentals will be increasing by \$5 in 2011/2012. Details of this increase can be found in the Fees and Charges section on page 161.

## What level of service will Council provide?

<b>Primary outcome: We are healthy people (4)</b>  				
Intermediate outcome: We have good quality affordable housing (4.2)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Quality Suitable housing is provided for tenants which have pleasant surroundings.	Percentage of tenants who believe that the housing facilities are maintained satisfactorily and are suitable for use.	Maint - 82%, Suitable - 89%	80%	Survey - Tenant
	Percentage of tenants who are satisfied with the surroundings in which they live.	96%	80%	Survey - Tenant
Safety A safe environment is provided.	Percentage of residents who feel safe and secure when living in the Community Housing building.	96%	80%	Survey - Tenant
Responsiveness Tenants receive prompt response to identified problems.	Percentage of requests for maintenance actioned within agreed timeframes. <sup>1</sup>	100%	90%	Quarterly Report
Cost Efficiency There is efficiency and economy in how Community Housing is managed.	Average occupancy rate for rental housing.	92%	80%	Quarterly Report
1. "Agreed Timeframes" means urgent matters are responded to within four hours and other matters are responded to within five days. Response refers to contacting the tenant regarding their request and does not include actioning the request.				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no major projects planned or any major variances from the LTCCP.

### Cost of Service Statement variances

There are no major variances from the LTCCP.

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

These benefits are distributed between the tenants, the families of tenants (as the units allow them more freedom) and the community who benefit from having a range of age-groups in the town. Direct operating costs are met from user charges (tenant rents), the Council meets the associated overhead costs and other indirect costs, approximately 15% of activity costs. There is little capital expenditure associated with this activity, as it is a declining activity. Government subsidy is sought where modifications are required to meet the physical needs of tenants, and will be utilised, where applicable, for other projects. Proceeds from sales of housing no longer required may be applied to the remaining housing stock.

### What does it cost?

LTCCP 2010/2011	Community Housing	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
46,437	Rates	47,847	47,065
222,396	Activity Revenue	239,696	240,157
268,833	<b>Total Operating Revenue</b>	287,543	287,222
<b>Operating Expenditure</b>			
42,322	Depreciation	43,343	43,343
259,391	Other Operating Costs	252,011	248,246
301,713	<b>Less Total Operating Expenditure</b>	295,354	291,589
(32,880)	<b>Operating Surplus/(Deficit)</b>	(7,811)	(4,367)
(32,880)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(7,811)	(4,367)
<b>CAPITAL AND RESERVES</b>			
10,847	Acquisition-Level of Service	11,096	11,205
10,847	<b>Total Capital Expenditure</b>	11,096	11,205
24,052	Loans Repaid	25,971	25,850
132,190	Transfers to Reserves	147,395	146,588
156,242	<b>Total Capital Movements</b>	173,366	172,438
32,880	Operating Deficit	7,811	4,367
199,969	<b>Total Funding Required</b>	192,273	188,010
<b>Funded By</b>			
42,322	Non Cash Expenditure	43,343	43,343
157,647	Transfers from Reserves	148,930	144,667
-	Operating Surplus	-	-
199,969	<b>Total Funding Applied</b>	192,273	188,010

# District Development Services

*Aim: Work with groups and organisations to identify opportunities and facilitate the development of projects and initiatives that will enhance the prosperity and quality of life of Southland communities.*

## What we do

Currently the Southland District Council has a level of service agreement with Venture Southland to deliver District Development Services which includes Regional Development, Destination Promotion and Economic Development. The Council also places extra emphasis on community development in the Regional Development area to reflect the work needed for the diverse communities in the District to ensure local priorities are identified and addressed. Venture Southland is a joint initiative of the Invercargill City, Southland District and Gore District Councils, and is the agency responsible for the region's economic, tourism, promotion and community development initiatives. The region-wide level of delivery enables economies of scale, and a stronger voice for Southland and this delivery is overseen by a joint committee of the three councils. The table below provides a summary of the activities provided which are described in more detail in Venture Southland's Strategy for Development and annual Action Plan. The Council has input into the priorities, Strategies and Action Plans of Venture Southland through its appointees on the joint committee (Mayor, two councillors, and two appointed independent persons) as well as the Subcommittee known as the directorate. The directorate has two of these Council appointees sitting on it and it has delegated authority to monitor and overview the implementation of the annual Action Plan.

Regional Development	Destination Promotion	Economic Development	
<p>Goal - To support and assist groups and organisations to identify and develop opportunities and provide advocacy for community services.</p> <p>The activity involves working alongside community organisations to identify and assist the development of projects at both a regional and local level as well as assisting with events and assessing new event opportunities.</p> <p>Community Planning particularly Community Concept Plans is a key element of this activity. Other key strategies include the Southland Leisure Strategy, the Community Facilities Inventory, Story of Southland, and the Regional Strengths Strategy (Southern Odyssey). In addition, the activity also supports the Mayor's Taskforce for and the ALIVE programme which aims to provide assistance to at risk youth.</p>	<p>Goal: To promote Southland as a quality destination for visitors, skilled migrants, investors, students, and conferences and events; to assist in destination management and visitor industry development.</p> <p>The activity involves marketing Southland to audiences, both within and external to Southland, as a region in which to live, work, play, learn and visit. The approach to marketing involves communicating the strengths of the region to various sectors of the market, leveraging positive exposure in the media through events, promoting business opportunities and highlighting Southland's lifestyle benefits. The activity also provides services and information in relation to accommodation, attractions, transport/travel, conferences, trade, media, industry information, images, brochures and branding.</p> <p>The Southland Tourism Strategy 2005-2015 has been developed by Venture. Local Visitor Sector strategies have also been developed for Fiordland and Stewart Island.</p>	<p>Goal: To proactively identify and promote opportunities for diversification, employment and business growth in Southland.</p> <p>The activity involves working with industry sectors, training and educational bodies, and local and central government agencies to support economic development opportunities. These opportunities may relate to new projects, diversification, adding value or innovation. The support provided also includes assessing the availability and suitability of resources and infrastructure needed to support development as well as workforce skills and opportunities for investment.</p> <p>Venture Southlands strategies within the scope of the activity also include the Southland Workforce Strategy and Water Strategy.</p>	<p>Goal: To promote the positive aspects of Southland, and identify and facilitate the development of projects of regional significance in association with local organisations.</p> <p>The activity involves working closely with other groups and organisations with mutual goals and objectives to provide a co-ordinated approach to research, obtaining and disseminating information, in particular for issues with potential region-wide implications. The support provided includes playing a facilitation role, providing access to required expertise, undertaking modelling, and co-ordinating communications.</p> <p>Venture Southland's other strategies within the scope of the activity also include the Energy Strategy, Transport Strategy, and Digital Strategy.</p>
NB - Venture Southland works with communities and organisations through Project Advisory Groups in developing strategies.			

The table below shows the funding provided by the Council compared to total funding for Venture Southland's operation and how these contributions are split amongst the four sub-activity areas.

Contribution	Regional Development	Destination Promotion	Economic Development	Annual Plan 11/12 Total	LTCCP 11/12 Total	Explanation of Variance
<b>Southland District Council</b>	<b>\$855,100</b>	<b>\$376,300</b>	<b>\$478,900</b>	<b>\$1,710,300</b>	\$1,730,760	The inflation rate is less than estimated therefore the grant amount has been adjusted.
Invercargill City Council	\$789,500	\$347,400	\$442,100	\$1,579,000		
Other Contributions <sup>1</sup>	\$964,300	\$405,300	\$527,700	\$1,897,300		
<i>Total Regional Output</i>	<i>\$2,608,900</i>	<i>\$1,129,000</i>	<i>\$1,448,700</i>	<i>\$5,186,600</i>		

### Why we do it

District Development Services (provided via Venture Southland) contributes to making Southland a great place to live by promoting Southland's image, supporting creative and heritage activities, developing recreational activities and assisting with development initiatives for communities. The activity also supports a diverse economy by facilitating infrastructure improvements, identifying and promoting areas of competitive advantage, facilitating job creation and attracting/retaining a skilled labour force and promoting Southland as a tourism destination, as well as a place to live and invest. It also contributes to strong effective leadership by empowering citizens and communities and supporting project development and seeking engagement through concept plans which promotes community cohesion and pride. The activity also influences a treasured environment through working with businesses to improve their resource use and projects that assist in working with the environment.

The table below (from Venture Southland's Action Plan) indicates the joint objectives supported by the various activity areas of District Development Services.

Regional Development	Destination Promotion	Economic Development	
<p>Southlanders have access to a diverse range of cultural, recreational and lifestyle opportunities.</p> <p>Southland communities have identified and implemented development opportunities.</p> <p>Southland is recognised for its creative and active communities.</p> <p>Southland has a diverse range of events that are supported by the community and attract visitors to the region.</p> <p>Southland has a thriving tourism industry with quality attractions, activities and services for visitors.</p> <p>Visitors can access quality information on Southland's attractions and activities.</p>	<p>Southland is recognised as a desirable destination for domestic and international visitors.</p> <p>Southland's visitor industry is compatible with the community and the environment.</p> <p>Southland is recognised as a desirable location for international/national conferences and events.</p> <p>Southland is seen as a desirable region by skilled migrants and students.</p>	<p>Southland has a diversified economy.</p> <p>Southland has a skilled workforce that meets the needs of the economy.</p> <p>Southland attracts investment to utilise resources and create employment.</p> <p>Southlanders are aware of opportunities to grow their businesses, including processing and exports.</p> <p>Innovation and entrepreneurship remain part of the Southland culture.</p>	<p>Businesses and organisations have quality information on which to base decisions.</p> <p>Southlanders have objective assessments of their resources to enable long term decision-making.</p> <p>Southland infrastructure supports the community and economic growth.</p> <p>Opportunities for economic and community growth are developed and implemented.</p> <p>People want to visit, invest, live, work and learn in Southland.</p> <p>Southlanders are proud of their region and are good ambassadors.</p>

<sup>1</sup> Other contributions are provided by Gore District Council, Community Trust of Southland, Invercargill Licensing Trust and Central Government.


### What are the key issues?

A new activity “District Development Services” has been included in the Plan to separately show the various services which are provided on Council’s behalf by Venture Southland. These activities have previously been included as part of the existing activity “Grants and Donations”. The new activity statement explains the various services provided including Regional Development, Destination Promotion and Economic Development. In reviewing this information, Council has also updated the level of service information and some key performance indicators to better align with Venture Southland’s own Action Plan and provide greater clarity. The specific changes are detailed below.

*Levels of Service Statements* – A new separate level of service statement has been prepared for the “Governance” sub-activity. In addition, a number of separate statements have now been grouped together into one statement which while is a change to wording, does not change their intent. Heritage related levels of service have been shown in the “Grants and Donations” activity.

*Key Performance Indicators* – Three new key performance indicators have been added and previous indicators relating to heritage and survey local businesses have been removed.

### What level of service will Council provide?

Primary outcome:					
<b>Southland is a great place to live (1)</b> <b>A diverse economy built from our strengths for growth and prosperity (2)</b> <b>Strong, effective leadership taking us into the future (5)</b>					
What Council will provide	How Council will measure the service provided				
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source	
<b>Governance</b>					
Accountability – Maintain strong Governance overview of Venture Southland	Representatives attendance on Venture Southland Joint Committee.	New Measure	20	Attendance Register	
<b>Regional Development</b>					
Support and assist groups and organisations to identify and develop opportunities, events and provide advocacy for community services and to assist in destination management and visitor industry development.	Outcome <sup>2</sup> - Number of community groups assisted.	120	80	Annual Report	
	Output <sup>1</sup> - Number of programmed Concept Plan reviews carried out.	100%	100%	Annual Report	
	Output <sup>1</sup> - Percent of programmed events carried out.	100%	100%	Annual Report	
	Outcome <sup>2</sup> - Number of people attending Venture Southland events each year.	15,000	8,000	Annual Report	
<b>Economic Development</b>					
Proactively identify and promote opportunities for diversification, employment and business growth in Southland.	Output <sup>1</sup> - Number of sector groups engaged with.	7	5	Annual Report	
	Output <sup>1</sup> - Number of initiatives identified and developed.	20	12	Annual Report	
	Outcome <sup>2</sup> - Growth and diversity of businesses evidenced by economic growth statistics comparing favourably with similar regions.	Just over 1% contraction.	Compare favourably	Annual Report	
	Output <sup>1</sup> - Training programmes meet the needs of local business.	92%	90%	Survey - User	

<b>Primary outcome: Southland is a great place to live (1) A diverse economy built from our strengths for growth and prosperity (2) Strong, effective leadership taking us into the future (5)</b>				
<b>What Council will provide</b>	<b>How Council will measure the service provided</b>			
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
Promote the positive aspects of Southland, and identify and facilitate the development of projects of regional significance in association with local organisations.	Output <sup>1</sup> - Number of Strategic Projects facilitated.	New Measure	4	Annual Report
	Output <sup>1</sup> - Inwards investment opportunities identified and promoted.	New Measure	2	Annual Report
<b>Destination Promotion</b>				
Promote Southland as a quality destination for visitors, skilled migrants, investors, students, and conferences and events.	Output <sup>1</sup> - Percent of programmed promotional activities undertaken (trade shows, publications, electronic promotions).	100%	100%	Annual Report
	Output <sup>1</sup> - Number of conferences and events assisted.	58	10	Annual Report
	Outcome <sup>2</sup> - Perceptions of Southland study shows improving results (suggesting Venture is targeting the right areas).	Not measured	Increasing trend	Annual Report
	Outcome <sup>2</sup> : Average length of stay and spend for tourists increases over time.	0.9% increase (length of stay)	Increasing trend	Annual Report
<p>1. Outputs are indicators related to activities which Venture is directly accountable for.</p> <p>2. Outcome indicators can be affected by factors other than Venture's activities such as opportunities in other regions, fuel costs, availability of finance for key projects, the exchange rate, labour mobility etc. Consideration will also be given to these other factors, and Council will benchmark data against other regions.</p>				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

Projects planned for Venture Southland are outlined in their Action Plan for 2011/2012.

### Cost of Service Statement Variations

There are no major variances from the LTCCP.

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

Individual businesses, business networks, community groups, individual residents and the community as a whole benefit from Venture Southland's activities. Many of Venture Southland's activities will have a lasting benefit, particularly facilitating infrastructure development.

The Council believes that the costs should be recovered from a regionally based funding formula, adjusted for specific service provision to any territorial authority. Council's portion is funded through uniform annual charge per rateable unit. In addition Venture actively pursues external sources of funding for specific projects. Any capital expenditure is covered by the Council's grants and external funding.

Some projects do have benefits for individuals, or defined groups. However as a whole, Venture Southland activities directly benefit a wide range of individuals and groups, and there are strong spillover benefits from economic development and stronger communities for the district as a whole. A full user pays system would not be affordable for vulnerable groups in our community, and would be inconsistent with the purpose of Venture Southland (development and promotion of the region).

This activity is rated for jointly with Grants and Donations, as the outcomes for these activities are similar.

### What does it cost?

LTCCP 2010/2011	District Development Services	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
1,691,847	Rates	1,730,760	1,698,562
173,047	Activity Revenue	180,687	199,310
-	Grants and Donations	-	14,000
1,864,894	<b>Total Operating Revenue</b>	1,911,447	1,911,872
<b>Operating Expenditure</b>			
1,864,894	Other Operating Costs	1,911,447	1,911,872
1,864,894	<b>Less Total Operating Expenditure</b>	1,911,447	1,911,872
-	<b>Operating Surplus/(Deficit)</b>	-	-
-	Operating Surplus/Deficit transferred to/(funded from) Reserves	-	-

# District Support

*Aim: Provide convenient access to Council information and services and support for local communities.*

## What we do

District support covers the operation of eight Area Offices as a first point of contact for residents and ratepayers (located in Invercargill, Winton, Te Anau, Otautau, Lumsden, Wyndham, Stewart Island and Riverton) as well as District reserves and various corporate services including information management, records and financial services. Many of the Council's services are provided through the office staff, including enquiries, rate rebate applications, dog registration and fire permits. Staff also provide secretarial support for Community Boards, Community Development Area Subcommittees, Committees of Council and other organisations. All Area Offices except the main Invercargill office, Te Anau office and the office on Stewart Island are accommodated with local libraries, following the Council's "one-stop shop" concept.

## Why we do it

District support contributes to strong effective leadership by providing support to local decision-makers. The activity also strengthens Council's links with the numerous communities in Southland by having local staff situated in local offices in or near these communities. The activity also contributes to a diverse economy by making the Council's services and information more easily accessible across the District.

## What are the key issues?

There are no key issues for this activity.

## 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	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
Access Access to services during normal business hours.	Percentage of residents satisfied with the hours of operation.	96% <sup>1</sup>	90%	Survey - Resident
Responsiveness All requests, issues, queries and faults dealt with in a timely fashion.	Percentage of customers who are satisfied with response to enquiries.	62%	80%	Survey - Customer
	Percentage of response times kept within defined limits. <sup>2</sup>	79%	85%	Quarterly Report
	Percentage of residents satisfied with contact with Council (visits and telephone calls).	Visits - 92% <sup>1</sup> , Calls - 88% <sup>1</sup>	85%	Survey - Resident
1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				
2. The "defined limit" for responses is five working days for correspondence and other requests. This will not include requests that are resolved at first point of contact.				

Note that the targets above are the same for the next 10 years.

## What are the projects and variances from the LTCCP?

Operational and Management Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Invercargill Office - Improvements - CS00039.a, CS00001A	-	\$61,980	Loan	This is a new project which has been added because of needed improvements to the Invercargill office building.

### Cost of Service Statement Variations

A change in policy in relation to the allocation of interest has resulted in a reduced level of interest received.

The planned improvements at the Invercargill office (as noted above) as well as acquisition of additional information archiving software has resulted in increased loans raised, previously anticipated to be rates funded. Timing differences has resulted in reduced capital renewals.

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

These benefits accrue to ratepayers and residents who live in the areas around each office. Benefits are also received by the organisations that Council acts as an agent for, or provide accommodation for. Operating costs for this activity should be 100% funded by the Council Offices and District support rate levied District-wide based on capital value. 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?

LTCCP 2010/2011	District Support	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
2,760,693	Rates	2,833,108	2,805,345
181,281	Activity Revenue	214,991	216,571
752,392	Interest & Dividends	512,212	85,345
3,694,366	<b>Total Operating Revenue</b>	3,560,311	3,107,261
<b>Operating Expenditure</b>			
280,267	Depreciation	275,986	281,933
-	Finance Costs	-	541,871
3,302,143	Other Operating Costs	3,277,427	2,089,619
3,582,410	<b>Less Total Operating Expenditure</b>	3,553,413	2,913,423
111,956	<b>Operating Surplus/(Deficit)</b>	6,898	193,838
111,956	Operating Surplus/Deficit transferred to/(funded from) Reserves	6,898	193,838
<b>CAPITAL AND RESERVES</b>			
41,837	Acquisition-Level of Service	79,785	84,317
64,014	Renewals	157,284	92,348
105,851	<b>Total Capital Expenditure</b>	237,069	176,665
12,849	Loans Repaid	-	-
1,477,045	Transfers to Reserves	1,196,036	1,472,813
1,489,894	<b>Total Capital Movements</b>	1,196,036	1,472,813
-	Operating Deficit	-	-
1,595,745	<b>Total Funding Required</b>	1,433,105	1,649,478
<b>Funded By</b>			
-	Loans Raised	-	106,178
450,605	Non Cash Expenditure	446,324	442,833
1,033,184	Transfers from Reserves	979,883	906,629
111,956	Operating Surplus	6,898	193,838
1,595,745	<b>Total Funding Applied</b>	1,433,105	1,649,478

# Dog and Animal Control

*Aim: To protect public safety and reduce nuisances.*

## What we do

This activity is about providing controls for dogs and stock to reduce any risks to public safety. The activity involves registering dogs, investigating complaints about dogs and wandering stock, formulating policy on issues relating to nuisance dogs and legal responsibilities, as well as promoting responsible dog ownership. There are around 13,000 dogs registered in Southland.

## Why we do it

Dog and Animal Control contributes to creating safe places (homes, public places and roads) through education, registration of dogs and Dog Control Officer activities and responding to instances of wandering stock. The activity also contributes to a treasured environment where control activities also help to protect wildlife. In the activity, the Council must comply with the legal requirements of the Dog Control Act 1996 and associated amendments and the Impounding Act 1955.

## What are the key issues?




### *Animal Control Fees*

This year the dog registration fee has increased from \$17.78 to \$21.74 (GST excl). The increase is due to a number of factors including the Dog Control Officer position being increased from a part time to a full time position (due to an increase in animal control requests), the employment of an additional ranger for more comprehensive after-hours coverage, an increase in pound maintenance costs with the possibility of a new joint pound being developed with Invercargill City Council and microchipping expenses. Impounding costs have also moved to a flat structure (\$100 regardless of whether dogs are registered or unregistered, and regardless of how many previous seizures of dogs there have been).

### *Pound Facilities*

Southland District Council pound facilities are very limited and work is being progressed on possibly contributing towards a new pound as above, which Council could utilise a portion of. This is seen as a more cost-effective option than developing a stand-alone facility and a possible contribution towards this has been factored into the dog control budget.

## What level of service will Council provide?

<b>Primary outcome: Safe places in a caring society that is free from crime (3)</b>   				
Intermediate outcome: We have public places safe for children and families (3.3)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Quality Actively control the actual and potential nuisance from dogs and animals.	Percentage decrease in the number of complaints concerning dog control and wandering stock received each year.	44% Increase	10% Decrease	Quarterly Report
	Percentage of residents satisfied with the service provided.	Dog - 80% <sup>1</sup> , Stock - 91% <sup>1</sup>	Dog - 75%, Stock - 80%	Survey - Resident
Responsiveness All complaints are addressed in a timely manner.	Percentage of complaints investigated within set timeframe. <sup>2</sup>	68%	80%	Quarterly Report

<b>Primary outcome: Safe places in a caring society that is free from crime (3)</b>				
Intermediate outcome: We have public places safe for children and families (3.3)				
<b>What Council will provide</b>	<b>How Council will measure the service provided</b>			
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
Responsiveness Facilitate and provide appropriate guidance and advice on Dog and Animal Control matters.	Hours of public education activities carried out per year.	107	72	Quarterly Report
1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				
2. The timeframe for investigation of complaints is 24 hours.				

Note that Council is aiming to increase its target for the percentage of residents satisfied with the Dog Control service to 80% from 2012/2013 onwards.

### What are the projects and variances from the LTCCP?

There are no major projects planned for 2011/2012.

### Cost of Service Statement variances

An increase in fee revenue has been proposed to cover the increased operating costs associated with dog registration, microchipping, and the capture and impounding of dogs within the District. Operating costs and transfers from reserves have increased as a result of Council's proposed contribution to the Invercargill City Council Pound.

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

The benefits are distributed to users of public grounds and reserves/parks, the farming and general community, and dog owners. Animal owners who do not restrain/contain their animals appropriately create the need for this activity. Dog registration fees should be set at a level that will allow the recovery of costs of retaining and updating dog registration records, the process of undertaking the registration, and the cost of employing a part time Dog Control Officer. The remainder of costs including the cost of rangers and other animal control activities should be funded by the Development and Promotions rate, which is a uniform annual charge (approximately 10% of the cost of Dog and Animal Control). Capital costs for this activity include the usual overheads - office buildings, vehicles and equipment, as well as capital works for animal control facilities - 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?

LTCCP 2010/2011	Dog and Animal Control	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
24,669	Rates	24,570	24,940
250,496	Activity Revenue	256,257	316,347
275,165	<b>Total Operating Revenue</b>	280,827	341,287
<b>Operating Expenditure</b>			
8,664	Depreciation	8,378	7,650
266,360	Other Operating Costs	272,941	393,805
275,024	<b>Less Total Operating Expenditure</b>	281,319	401,455
141	<b>Operating Surplus/(Deficit)</b>	(492)	(60,168)
141	Operating Surplus/Deficit transferred to/(funded from) Reserves	(492)	(60,168)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
1,528	Transfers to Reserves	609	933
1,528	<b>Total Capital Movements</b>	609	933
-	Operating Deficit	492	60,168
1,528	<b>Total Funding Required</b>	1,101	61,101
<b>Funded By</b>			
1,387	Non Cash Expenditure	1,101	1,101
-	Transfers from Reserves	-	60,000
141	Operating Surplus	-	-
1,528	<b>Total Funding Applied</b>	1,101	61,101

# Forestry

*Aim: Maximise return on funds whilst operating forests in a sustainable and environmentally friendly manner.*

## What we do

The Southland District Council manages around 1,800 hectares of land (1,510 hectares of this is planted in introduced plantation species).

## Why we do it


Forestry operations provide alternative income to offset rates but also support the achievement of other Council or community goals. This activity links most strongly with the community outcome of Southland's diverse economy being built from our strengths for growth and prosperity, as well as contributing to a treasured environment.

## What are the key issues?

### Forestry Dividend

Over the past couple of years Council has not received a return from the Forestry activity to offset rates as the economic downturn had a significant impact on the prices that Council received for the sale of its timber. However, the returns received for harvesting in 2010/2011 has improved by about 56% over the 2009/2010 prices, due to strong demand for export logs from China, Japan and Korea. This demand has been held since mid-2010 and it is anticipated that this may maintain at current levels for some months to come. As a result of this, revenue from harvesting has exceeded expectations and in 2011/2012 it is expected that \$300,000 will be available to offset rates.

## 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 an economy built on our competitive advantage (2.4)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Commercial return To ensure that the forests are managed in a business-like way with a long term focus.	Percentage of returns met.	0%	100%	Business Plan Reports
Sustainable Management To achieve an appropriate balance between harvesting and restocking Council and community forests.	Percentage of Forestry Management Business Plan objectives met. <sup>1</sup>	87%	100%	Management Reports
	Number of environmental issues notified.	1	0	Management Reports

1. Objectives relate to periodical review of Forestry Management Plan, forestry asset replacement and observation of environmental protocols.

Note that the targets above are the same for the next 10 years.

## What are the projects and variances from the LTCCP?

There are no major projects planned for 2011/2012.

**Cost of Service Statement variances**

There are no major variances from the LTCCP.

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

The District as a whole benefits from this activity, as it generates income for Council which is used to offset general rates. The benefits of this activity are long term, as it generates ongoing revenue streams. Revenue generated from sale of wood covers all of the expenses of the forestry activity.

**What does it cost?**

LTCCP 2010/2011	Forestry	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
738,700	Activity Revenue	970,800	970,800
738,700	<b>Total Operating Revenue</b>	970,800	970,800
<b>Operating Expenditure</b>			
5,445	Depreciation	5,445	5,445
397,685	Other Operating Costs	344,894	328,481
403,130	<b>Less Total Operating Expenditure</b>	350,339	333,926
(685,560)	Forestry Revaluation	587,350	692,240
1,021,130	<b>Operating Surplus/(Deficit)</b>	33,111	(55,366)
1,021,130	Operating Surplus/Deficit transferred to/(funded from) Reserves	33,111	(55,366)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
505,622	Transfers to Reserves	765,106	776,112
505,622	<b>Total Capital Movements</b>	765,106	776,112
-	Operating Deficit	-	55,366
505,622	<b>Total Funding Required</b>	765,106	831,478
<b>Funded By</b>			
(685,560)	Non Cash Expenditure	587,350	692,240
170,052	Transfers from Reserves	144,645	139,238
1,021,130	Operating Surplus	33,111	-
505,622	<b>Total Funding Applied</b>	765,106	831,478

# Grants and Donations

*Aim: Provide assistance to a range of organisations for projects and activities which promote community wellbeing.*

## What we do

Council provides funding for scholarships, grants, and donations so that District residents have access to community funding and to help finance cultural, social, and recreational services. An annual grant is also provided to the Southland Regional Heritage Trust who is a strong supporter of museums in Southland and supports specific heritage projects that preserve or promote the Story of Southland. Specific activities of the Trust include making grants to community groups, provision of a Roving Museum Officer who supports small, community-based museums, and grants to the region's major museums. An annual contribution is also made to the Southern Rural Fire Authority to manage rural fire responsibilities at a regional level, including training fire fighters and public education. By supporting a regional effort, the District benefits from economies of scale.

## Why we do it

Primarily this activity empowers citizens and communities by providing financial assistance for their activities, which in turn may promote any of the seven community outcomes, depending on the nature of the project. Scholarships promote a well-educated and skilled community; and other grants promote better community facilities, community self help, and encouragement of young people contribute to making Southland a great place to live. The Regional Heritage Grant contributes to making Southland a great place to live, by valuing our history and heritage, and supporting a range of quality places to go and things to do. The grant also supports a well educated community by providing high quality and ongoing learning opportunities through museums, heritage publications and other activities. As Rural Fire protects economic assets, it supports the outcome of a diverse economy and by protecting against and responding to hazardous fire also supports a treasured environment.

## What are the key issues?

The "Grants and Donations" activity no longer includes information for services which are provided on Council's behalf by Venture Southland. This information is now included in a separate activity called "District Development Services". In addition, the activity also includes information on the activities on the Southern Rural Fire Authority. This information was previously included in the Council Controlled Organisation (CCO) section of Council's Annual Plan as the Authority was a CCO. However in December 2010 the Authority changed its Constitution and Rules of Governance to include an independent member on its Board bringing the total number of members to nine. The addition of the independent member effectively changes the organisation from being a Council Controlled Organisation to a Council Organisation under Section 6 of the Local Government Act 2002 because local authorities no longer control 50% or more of the votes or have the right to appoint 50% or more of the members of the Board (with just four Board members coming from local authorities).

### *Additional Grants and Donations –*

Council has decided to make a number of one-off grants and donations in this Plan for the Southland Coastal Heritage Inventory Project, the Swim Safe Programme, Te Hiko Museum and the Junior World Cycling Championships. These will be funded from a mixture of reserves and by applying a Regional Initiative rate of \$4.13 (GST exclusive) on all properties, with all properties paying the same.

*Swim Safe Programme* - Council approved \$17,400 per annum for three years (totalling \$52,200) to Water Safety New Zealand and Sport Southland to deliver a life skills swim programme which aims to have every child in Southland to be able to swim 200 m by the age of 12 years old.


*Southland Coastal Heritage Inventory Project* - Council has set aside \$15,000 for this project which aims to update Southland's archaeological records along the coast before these are lost. This an inter-agency project between the Department of Conservation, Environment Southland, Te Ao Mārama Incorporated, the New Zealand Historic Places Trust and the New Zealand Archaeological Association.

*Te Hikoi Museum* - Council will provide a grant of \$44,000 to cover an expected deficit in operating costs in 2011/2012. The Museum is currently looking at different marketing strategies to increase revenue.

*Cycling Southland* - Cycling Southland will be holding the Junior World Track Cycling Championships in 2012 and Council has agreed to give a grant of \$10,000 in 2011/2012 and \$10,000 in 2012/2013 as it is anticipated the event will attract a high number of visitors/supporters to Southland.

*Additional Projects* - Council also approved a funding request of \$39,000 for a region-wide landscape assessment project being undertaken by Environment Southland as the information will be useful for the Council's District Plan review and by taking a collaborative approach Council will save costs. This grant will be paid for out of the existing District Plan budget for 2011/2012.

### What level of service will Council provide?

<b>Primary outcome:</b> Southland is a great place to live (1) A diverse economy built from our strengths for growth and prosperity (2) Strong, effective leadership taking us into the future (5) 				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
<b>Regional Heritage and Grants</b>				
Access - Support heritage activities.	Provide funding annually to Southland Regional Heritage Committee.	Yes	Yes	Annual Report
Access and Equity - Enhance the quality of life through grants / donations to community and regional organisations.	Percentage of residents that are aware of the availability of grants.	76% <sup>1</sup>	60%	Survey-Resident
1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				
<b>Rural Fire</b>				
Readiness - Support Southern Rural Fire Authority to prepare and respond to rural fires.	Annually review and approve the Southern Rural Fire Authority's Statement of Intent (SOI) and monitor their performance through the Authority's half yearly and annual reports. <sup>1</sup>	SOI - 21 May HYr -24 Feb ARep - 28 Aug	SOI -30 May HYr -30 Feb ARep -30 Sep	Annual Report
Quantity - Provide Rural Fire organisation resources that are adequate to manage fire events anticipated within the SRFD.	Number of rural fire personnel. <sup>2</sup>	397	No less than 250	SRFA training register
Reduction - Provide public education on fire risks, risk reduction and fire event readiness.	Number of public education initiatives completed. <sup>3</sup>	0 leaflet drops 400 radio slots 0 education visits	1 leaflet drop 650 radio slots 5 education visits	File
	Decreasing number of rural fire vegetation calls. <sup>4</sup>	146	95	Quarterly Report

<b>Primary outcome: Southland is a great place to live (1) A diverse economy built from our strengths for growth and prosperity (2) Strong, effective leadership taking us into the future (5)</b>				
<b>What Council will provide</b>	<b>How Council will measure the service provided</b>			
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
Readiness - 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>5</sup>	100%	100%	Training Register
Response - 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%	100%	Fire Log FIRS
<ol style="list-style-type: none"> <li>Southern Rural Fire is required to prepare a draft Statement of Intent and deliver this to stakeholders by 1 March each year. Council is required to provide any comment on this by 30 May. "SOI" - Statement of Intent, "HYR" - Half Year Report, "ARep" - Annual Report.</li> <li>170 Firefighters, 40 Crew Leaders, 40 Incident Management.</li> <li>"Public education initiatives" include one information leaflet drop annually to all rural properties, radio advertising campaign of at least 25 daytime slots per week from 1 October to 30 March, 10 education visits (rural residents, schools and interest groups) annually.</li> <li>This is the annual average for vegetation calls which relates to the objectives of the SRFA, who has a target that over a five year rolling average, the number of rural fires should decrease.</li> <li>"Key Rural Fire Personnel" includes the Principal Rural Fire Officer (PRFO), Deputy Principal Rural Fire Officers (DPRFO's), Rural Fire Officers (RFO's) and Fire Fighters (FF's).</li> </ol>				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Explanation of Variance
<b>Grants</b>			
Citizens Advice Bureau	\$2,200	\$2,200	
Friendship Committee	\$13,304	\$17,202	\$2,102 for a debating competition removed as no actual costs have been occurred in the past. \$6,000 included for a Thai exchange programme.
Gore Counselling Services	\$1,000	\$1,000	
IWI Funding	\$41,320	\$37,177	The grant has been adjusted to reflect 2010/2011 actual figures plus inflation.
Life Education Trust	\$5,000	\$5,000	
Miscellaneous Grants	\$2,000	\$2,000	
Southland Indoor Leisure Centre	\$50,000	\$50,000	
St Johns Ambulance	\$1,400	\$1,400	
Southland Regional Heritage Committee	\$388,379	\$394,337	Inflation in the 10/11 Annual Plan was 1.7% this has now been revised to 3%.
Lifelines	\$30,000	\$30,000	
Warm Homes Trust	\$35,000	\$35,000	
Swim Safe	-	\$17,400	\$17,400 per annum for 3 years (total \$52,200) to deliver a life skills swim programme to Southland School children.
Southland Coastal Heritage Inventory	-	\$15,000	One-off grant of \$15,000 to assist with updating archaeological records for along Southland Coast.
Te Hiko	-	\$44,000	One-off grant to cover anticipated operating deficit for 2011/2012.
Cycling Southland	-	\$10,000	\$10,000 per annum for 2 years (total \$20,000) to assist with costs associated with hosting the Junior World Track Cycling Championships in August 2012.
<b>Scholarships</b>			
Bursaries	\$4,500	\$4,500	
Community Service Award	\$1,000	\$1,000	
Debating Competition	\$600	\$600	
Outward Bound Scholarship	\$8,000	\$8,000	
<b>Funding Assistance</b>			
Contribution to Public Toilets	\$249,424	\$280,934	Toilet upgrade in Colac Bay was originally budgeted in 08/09 is now budgeted in 11/12. Plus inclusion of new project to upgrade the Lumsden toilets in 11/12.
Contribution to Dog / Animal Control	\$32,564	\$31,832	
Holiday Programmes	\$20,000	\$20,000	
Santa Parade Trust	\$2,400	\$2,400	
Contribution to Stewart Island Jetties	\$5,000	\$5,000	
Contribution to Parks and Reserves	\$14,729	\$14,891	
Destination Fiordland	\$11,624	\$25,738	New \$14,000 budget to help fund the new marketing position for Destination Fiordland.
<b>Allocation Grants</b>			
Amenity Development	\$30,000	\$38,800	
Community Development	\$70,000	\$70,000	
Contributions and Levies	\$15,000	\$15,000	
Creative Communities	\$21,630	\$21,030	
Ohai Railway Fund <sup>1</sup>	\$80,058	\$80,058	
Northern Southland Development Fund	\$15,000	\$15,000	
<b>Other</b>			
Southern Rural Fire Authority	\$205,417 <sup>2</sup>	\$205,417	
<p>1. The Plan shows grants made from the Ohai Railway Board at \$80,000 per annum. The actual amount granted by the Board each year may vary to take into account any policy changes and actual returns on funds invested.</p> <p>2. The Southern Rural Fire Authority is funded from its stakeholder organisations with total levy funding in 2011/2012 budgeted to be \$610,794. Funding is provided from Southland District Council (\$205,418), Invercargill City Council (\$56,981), Gore District Council (\$49,859), Department of Conservation (\$142,974), Forest Members (\$155,562). Budgeted operating and capital costs in 2011/2012 are \$1,003,372 and \$123,400 respectively.</p>			

### Cost of Service Statement Variations

Operating costs have increased as a result of the proposed grants/donations to a number of entities, as discussed in the "Key Issue and Projects" section of this plan.

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

**Grants** - These benefits are distributed between the community at large; sports, recreational and other groups; and individuals (sponsorship recipients). There is also benefit to the wider community, as grants generally support activities where there is a broader interest (grants policies generally require applicants to have raised a "local share" to demonstrate this). There are no capital costs for this activity. This operation costs are funded from a range of resources:

- Development and Promotions rate levied District-wide, which is a uniform annual charge;
- Specific rates for one-off projects, where appropriate, such as the Regional Initiative rate 2008/2009;
- Council Reserves where appropriate; and
- Investment income from specific funds (such as the Ohai Railway Fund).

**Regional Heritage** - The District as a whole benefits from the preservation of our heritage, and the provision of the cultural and recreational opportunities associated with it. Further, the benefit extends to all residents in and visitors to the Southland region. There are no capital costs for Council in this activity. Any capital expenditure the Trust may choose to undertake is funded from grants it receives (including the Council grant). The Council believes that the costs should be recovered from a regionally based funding formula with Council's portion being funded through a uniform annual charge per separately used or inhabited part of a rating unit (the Regional Heritage Rate).

**Rural Fire** - The benefits are distributed between the public, who are protected from fire hazards; asset owners, as risks and insurance costs are reduced; and the environment, as damage from fire is minimised. The grant to Southern Rural Fire is funded 100% by the Civil Defence and Rural Fire rate levied District-wide based on land value. The grant contributes to both capital and operating expenditure.

### What does it cost?

LTCCP 2010/2011	Grants and Donations	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
1,156,652	Rates	1,214,289	1,294,231
36,246	Activity Revenue	37,401	48,408
22,230	Grants and Donations	22,230	33,230
1,215,128	<b>Total Operating Revenue</b>	1,273,920	1,375,869
<b>Operating Expenditure</b>			
6,640	Depreciation	6,640	6,640
1,623,474	Other Operating Costs	1,490,066	1,685,044
1,630,114	<b>Less Total Operating Expenditure</b>	1,496,706	1,691,684
(414,986)	<b>Operating Surplus/(Deficit)</b>	(222,786)	(315,815)
(414,986)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(222,786)	(315,815)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Movements</b>	-	-
414,986	Operating Deficit	222,786	315,815
414,986	<b>Total Funding Required</b>	222,786	315,815
<b>Funded By</b>			
6,640	Non Cash Expenditure	6,640	6,640
408,346	Transfers from Reserves	216,146	309,175
-	Operating Surplus	-	-
414,986	<b>Total Funding Applied</b>	222,786	315,815

# Health Regulation

*Aim: To improve, promote, and protect public health, reduce liquor abuse and prevent or manage the adverse effects of hazardous substances.*

## What we do

The activity involves registration and inspection of licensed premises, liquor licensing (including monitoring compliance), and controlling nuisances in the District such as noise, insanitary conditions and hazardous substance activities. The activity also undertakes school water and pool testing and provides advice on environmental health and hazardous substances, particularly during the resource consent and building consent process. The Council also carries out a range of education and information activities.

## Why we do it

Health regulation contributes to having healthy people by protecting public health through registration and inspection of premises that prepare or sell food, licensing and monitoring premises that sell alcohol to ensure that they conduct their business to required standards and carrying out hazardous substance inspection and enforcement on behalf of Occupational Safety and Health. The investigation of nuisance complaints such as noise, smoke, odours and pests also contribute to a healthy community and a treasured environment by minimising the effect of such nuisances on people or the receiving environment. Council also works together actively with the Police and Public Health South to address licensing issues, compliance matters and alcohol harm reduction initiatives in the community. In the activity, the Council must comply with the legal requirements of the Sale of Liquor Act 1989, Health Act 1956, Food Act 1981 and Hazardous Substances and New Organisms Act 1996.

## What are the key issues?

### *Food Safety Plans*

Legislation is moving through Parliament that will require retail food premises to adopt Food Control Plans which is a very different approach to regulating food premises than the current Food Hygiene Regulations. Council's Environmental Health Officers are promoting food safety plans during the current voluntary implementation phase which will continue into 2011/2012.

### *Alcohol Reform Bill*

Council will be developing a Local Alcohol Plan over the coming year which will be a more comprehensive document than the current Sale of Liquor Policy. A key impact for the Southland District will be the end of the 24 hour licensing permitted by the Southland District Licensing Agency.

### *School Water Supply Sampling Charge*

A new \$400 annual charge has been introduced for schools who receive monthly sampling of their private water supplies. Previously Council provided this service for free, however it is now the service is offered on a user pays basis to cover the cost of undertaking the work.

**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)

<b>What Council will provide</b>	<b>How Council will measure the service provided</b>			
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
Quality Implement actions and measures that provide for the health, safety and wellbeing of the community.	Number of public awareness initiatives undertaken.	Radio - 0 Schools - 4 Publication - 5	Radio - 3 Schools - 5 Publication - 4	Quarterly Report
	Percentage of customers satisfied with how their nuisance complaints have been dealt with.	Staff - 70% Time - 68%	80%	Survey - Customer
Quality Ensure that all premises operating under the requirements of the Health Act, Food Act, Sale of Liquor Act and associated regulations operate in accordance with the requirements of the legislation.	Percentage of registered premises inspected annually. <sup>1</sup>	97%	100%	Quarterly Report
Responsiveness Process all applications lodged under the Sale of Liquor Act administered by Health Regulation within the timeframes specified within the relevant Act.	Percentage of applications for liquor licensing and managers' certificates are processed within 35 working days.	93%	95%	Quarterly Report
Responsiveness All complaints are assessed in a timely manner.	Percentage of complaints responded to within 24 hours (or within the timeframe advised when the complaint was lodged). <sup>2</sup>	60%	95%	Quarterly Report
1. Registered premises include food premises, camping grounds, hairdressers, offensive trade premises and premises selling liquor.				
2. "Responded to" means contacting the customer/complainant.				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no projects planned or any major variances from the LTCCP.

### Cost of Service Statement Variations

There are no major variances from the LTCCP.

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

Food and Beverage Premise Regulation benefits are distributed to consumers who benefit from the knowledge that the food purchased is being processed and stored in accordance with current standards. In addition, regular inspections of Sale of Liquor premises ensure that the premises have a certified manager in charge to ensure that the requirements of the Act are being complied with, with benefits to patrons and the wider public. Suppliers of food and alcohol create the need for this activity, as their businesses must be monitored. The control of nuisances including noise, hazardous substances, infectious disease and pests benefits the wider public. Those responsible for creating nuisances and those dealing with hazardous materials create the need for this activity. Nuisance control is funded mainly from the Environmental Health Monitoring rate levied District-wide via a uniform annual charge, with additional funding also provided by Occupational Safety and Health for part of the activity (related to hazardous substances). Inspection of food premises, investigation of food complaints, and liquor licensing is funded from user charges. 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?

LTCCP 2010/2011	Health Regulation	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
158,158	Rates	177,177	154,414
234,805	Activity Revenue	239,885	292,721
392,963	<b>Total Operating Revenue</b>	417,062	447,135
<b>Operating Expenditure</b>			
20,160	Depreciation	20,160	13,797
408,899	Other Operating Costs	419,548	437,639
429,059	<b>Less Total Operating Expenditure</b>	439,708	451,436
(36,096)	<b>Operating Surplus/(Deficit)</b>	(22,646)	(4,301)
(36,096)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(22,646)	(4,301)
<b>CAPITAL AND RESERVES</b>			
31,137	Renewals	30,916	30,916
31,137	<b>Total Capital Expenditure</b>	30,916	30,916
10,280	Transfers to Reserves	10,200	19,137
10,280	<b>Total Capital Movements</b>	10,200	19,137
36,096	Operating Deficit	22,646	4,301
77,513	<b>Total Funding Required</b>	63,762	54,354
<b>Funded By</b>			
77,513	Transfers from Reserves	63,762	54,354
-	Operating Surplus	-	-
77,513	<b>Total Funding Applied</b>	63,762	54,354

# Library Service

*Aim: To connect residents to local, national and global communities, information and ideas.*

## What we do

The co-ordinated District Library Service includes 12 local community libraries, a Mobile Library Service and access to library resources via the internet. A reciprocal membership arrangement gives free membership to all libraries within the Southland, Gore, and Clutha Districts and Invercargill City. A proposal to give the same access to the Dunedin library is currently before the Dunedin City Council for approval.

The libraries are free to access by all members of the community and act as community hubs, providing social spaces where people meet and relax. The libraries are recognised as safe and trusted places which offer programmes and events that promote reading as an enjoyable activity and provide materials for reading, listening and viewing. They provide information about the local community as well as connecting people to national and global communities. Library staff guide and support people to access information and help users to participate in the digital world. Libraries support formal education and encourage lifelong learning: the development of skills, creativity and confidence and also are a source of local information and history and connect people to their heritage/whakapapa.

Southland District Libraries have a number of partnership agreements which provide an extended range of opportunities for residents of the district. These include:

- Aotearoa People's Network Kaharoa, in association with National Library of New Zealand, giving access to free internet services to library users and visitors alike. Terminals are situated at Lumsden, Otautau, Riverton, Stewart Island, Te Anau, Winton and Wyndham and wireless access is also available at Stewart Island, Te Anau and Winton. This service has been universally embraced by both residents and travellers and as well as providing internet access, allows for the use of SKYPE and also high speed downloads in digital formats.
- Wriggle and Rhyme, in association with Sports Southland and SPARC. This is a targeted programme for babies and toddlers bringing together music and movement with books and also the opportunity for social networking for young mums. Led by trained facilitators this programme stimulates hand/eye co-ordination in a relaxed, fun environment. The programme is delivered weekly at Winton, Riverton, Te Anau, Otautau and Lumsden libraries.
- SouthLib Consortia, a partnership between Dunedin and Invercargill City Libraries, Queenstown Lakes, Central Otago, Waitaki, Gore, Clutha and Southland District Libraries has resulted in the shared purchase and installation of a sophisticated Library Management System giving all residents of the area access to an extensive range of resources. The new system went live and has been operating in Southland libraries since April 2010. Investigation into the shared supply of multi media resources including large print books, audio recordings, e-books and other digitally recorded items is presently underway and should add to the range of formats already on offer in the coming year.

## Why we do it

The Library Service contributes to making Southland a great place to live by providing quality places to go and things to do through the services provided as well as a place where history and heritage is recorded. As a community recreation facility they are accessible and their services can enrich people's lives and expand their horizons. As public spaces they allow for social contact and are a reflection of the local community identity. The Library Service also assists in creating a well-educated and skilled community by providing access to a range of resources and information as well as making learning opportunities accessible and delivering innovative programmes. Libraries also contribute to creating a diverse economy by supporting skill development, empowering people to be self-sufficient and providing information relevant to both individuals and businesses.

## What are the key issues?

*Aotearoa People's Network Kaharoa*

Council will be required to make a contribution towards the purchase of updated software and ongoing maintenance in the coming year to ensure the continued Aotearoa People's Network Kaharoa Service.

The cost of this is approximately \$9,000 (which is around 25% of the total cost of the service) and the amount has been included in the budgets. Council believes the benefits of providing free internet in every library throughout the District far outweigh this cost and places the level of service in line with that found internationally.


#### Mobile Library

The Mobile Bookbus Service has remained relatively unchanged since inception 21 years ago and Council intends to review the service in light of changes to lifestyle patterns, community changes and technology to see if a more user targeted focus could better serve the District's residents. One option is to use a smaller vehicle carrying pre-arranged selections which have been booked through the Council's website which may have a positive affect on the current operating costs. However, changes to the service will not be made without a full review of the service and community consultation. The current vehicle is close to the end of its economic life and at this stage a replacement cost has been included in the budgets.

#### New Books in Filipino/English

A recent initiative with the Multi Nations Council of Southland and the Philippines Embassy has seen the donation of 200 items in the Filipino/English language to assist many of the new immigrants to the District. Dairying has attracted many Filipino workers to the area and this collection of books which is to be used at Winton, with exchanges sent to Otautau and Lumsden regularly will contribute positively to their social wellbeing.

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

Primary outcome: Southland is a great place to live (1).				
Intermediate outcome: We have a choice of quality places to go and things to do (1.2)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
Access Library services are available at convenient times and locations.	Percentage of residents who identify opening hours as a barrier to using libraries.	9% <sup>1</sup>	Less than 10%	Survey - Resident
	Percentage of residents satisfied with the location of libraries in Southland and/or the ability to access the Mobile Library.	98% <sup>1</sup>	80%	Survey - Resident
Quality Library facilities are clean and comfortable.	Percentage of users satisfied with look, cleanliness and comfort of libraries.	Look-96% <sup>2</sup> Cleanliness-98% <sup>2</sup> Comfort-98% <sup>2</sup>	90%	Survey - User
	Percentage of users satisfied with the choice of books and other resources available.	95%	90%	Survey - User
Quality A wide range of books and materials, In a variety of formats, are able to be accessed by users.	Percentage of fiction less than three years old.	35%	33%	Quarterly Report
	Percentage of population who use the library.	51% <sup>1</sup>	60%	Survey - Resident
Quantity Library services are being increasingly used.	Percentage increase in the number of issues over the previous year.	-4%	1.5%	Quarterly Report
	Turnover rate (the number of books issued divided by the total stock held) increases.	2.2	2.6	Quarterly Report
1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009. 2. A Library User survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no projects planned or any major variances from the LTCCP.

### Cost of Service Statement Variations

To date Government have funded the internet services at public libraries, but from July 2011 25% of the cost of these services are required to be funded by the Council. This, in addition to maintenance of the software of the library sharing programme and changes in overheads, has resulted in increased operating costs. Renewals and loans raised have increased as a result of the proposed acquisition of a replacement book bus. Financing costs have decreased, with a corresponding increase in operating costs as a result of changing some loan funding of projects from external to internal.

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

Individuals who use the library benefit from this service, as does the community as a whole, through spill over benefits. Operating costs for this activity is funded 90-95% from rates, levied through a combination of a District-wide uniform annual charge (the Library Services Rate), and local rates depending on local community preferences. The remaining 5-10% is funded from user charges and overdue fines. Council aims to move to 90% rates funding over time. In addition, internet services are funded by Central Government. The usual overheads also apply - 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?

LTCCP 2010/2011	Library Service	LTCCP 2011/2012	Annual Plan 2011/2012
	<b>REVENUE AND EXPENSE</b>		
	<b>Operating Revenue</b>		
1,043,827	Rates	1,081,321	1,099,723
68,761	Activity Revenue	59,027	79,553
3,099	Grants and Donations	3,170	3,201
1,115,687	<b>Total Operating Revenue</b>	1,143,518	1,182,477
	<b>Operating Expenditure</b>		
178,595	Depreciation	191,149	191,149
7,841	Finance Costs	6,682	-
959,873	Other Operating Costs	987,172	1,078,426
1,146,309	<b>Less Total Operating Expenditure</b>	1,185,003	1,269,575
(30,622)	<b>Operating Surplus/(Deficit)</b>	(41,485)	(87,098)
(30,622)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(41,485)	(87,098)
	<b>CAPITAL AND RESERVES</b>		
184,203	Acquisition-Level of Service	189,496	202,432
27,380	Renewals	-	85,000
211,583	<b>Total Capital Expenditure</b>	189,496	287,432
	<b>Capital Movements</b>		
14,531	Loans Repaid	15,691	8,451
10,950	Transfers to Reserves	-	-
25,481	<b>Total Capital Movements</b>	15,691	8,451
30,622	Operating Deficit	41,485	87,098
267,686	<b>Total Funding Required</b>	246,672	382,981
	<b>Funded By</b>		
-	Loans Raised	-	65,000
161,047	Non Cash Expenditure	173,601	173,601
106,639	Transfers from Reserves	73,071	144,380
-	Operating Surplus	-	-
267,686	<b>Total Funding Applied</b>	246,672	382,981

# Parks and Reserves

*Aim: To provide a mix of parks and reserves that provide for quality recreation while at the same time enhancing Southland's natural landscape.*

## What we do

The activity involves providing and maintaining areas for active and passive recreation throughout Southland. These areas include parks, reserves, green spaces, playgrounds and sports fields.

## Why we do it

Parks and reserves contribute to making Southland a great place to live because they give the community a choice of quality places to go and things to do. They provide areas for people to socialise and participate in a range of recreation and sporting activities which also supports healthy lifestyles. They also contribute to a treasured environment where reserves and open spaces give people an appreciation of the natural environment and also provide protection for specific areas of native flora and fauna. The maintenance of parks and reserves also ensures that they are public places which are safe for children and families. Parks and reserves also contribute to a diverse economy by providing places of interest for tourists as well as forming part of the Southland lifestyle that helps to attract and retain the workforce. In the activity, the Council must comply with the legal requirements of the Reserves Act 1977.

## What are the key issues?

*District-wide Management Plan Review*

The Council has a District-wide Management Plan which contains objectives, policies and recommended actions for the day-to-day management, conservation and future development of its reserves. The Plan was adopted in 2003 and under the Reserves Act 1977 must be reviewed at least every 10 years. Council has started this review which is intended to be completed in 2011/2012.

## What level of service will Council provide?

Primary outcome: Southland is a great place to live (1)				
Intermediate outcome: We have a choice of quality places to go and things to do (1.2)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Quality High quality parks, reserves, playgrounds and sports fields.	Percentage of residents satisfied with the reserves, parks, sports fields and playgrounds.	Parks - 96% <sup>3</sup> , Sports - 96% <sup>3</sup> , Playgrounds-94% <sup>3</sup>	85%	Survey - Resident
	Percentage of parks, reserves, playgrounds and sports fields that are maintained in accordance with contractual standards. <sup>1</sup>	88%	90%	Audit Inspections
Safety and Responsiveness Maintenance safety, queries and faults dealt with promptly.	Percentage of repairs are carried out within required timeframes. <sup>2</sup>	33%	90%	Quarterly Report
Quantity Provide a wide variety of recreational facilities.	Percentage of residents satisfied with the choice of parks, recreational facilities and open spaces.	Not measured <sup>3</sup>	85%	Survey - Resident
1. "Contractual standards" cover lawn mowing, weed removal and equipment inspection and maintenance. 2. "Timeframes" means urgent repairs (those affecting safety) are fixed within two days; and non urgent repairs fixed within ten days. 3. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

Note that the targets above are the same for the next 10 years.

## What are the projects and variances from the LTCCP?

### Operational and Management Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Otautau - External repaint for amenity building - 653.s	\$7,397	\$7,397	Reserves	-
Otautau - Internal painting and floor vinyl replacement - 652.s	\$18,493	\$18,493	Rates	-
Tuatapere - Greenheart Reserve - 703.A	-	\$2,000	Rates	This is a new project to do maintenance of the trees at the Greenheart Reserve and will be completed over the next three years. The trees in the reserve and adjacent to the walking tracks require maintenance however there was previously no budget set to do the work. They will either be pruned or removed.

### Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
District Reserves (Dunsdale) - Revegetation - 716.A	\$2,116	-	Reserves	Deleted as no planting is required in 2011/2012.
Lumsden - New playground equipment - Lmsgp1A	-	\$10,000	Reserves	A new project to install playground equipment is planned for 2011/2012 which is an initiative from the new Community Board. Funded by reserves.
Lumsden - Replacement of fall material - LmsgpA	-	\$6,183	Reserves	A new project to replace the fall material with pea grave is planned for 2011/2012 to meet safety requirements.
Te Anau - Gum Trees - Trimming and Replacement - 705.a	\$15,867	\$15,867	Rates	-

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
District Reserves - Lynwood Reserve - Information Sign at Entrance - 715.A	\$2,116	-	Reserves	This project has been deleted. The reserve is not suitable for recreation therefore an information sign would be inappropriate.
Lumsden - Upgrade railway reserve - 79.A	-	\$25,000	Reserves and Grants	A new project to upgrade railway reserve is planned for 2011/2012 which is an initiative from the new Community Board. Funded by \$12,000 General Reserves and \$13,000 Grants.
Nightcaps - Playground upgrade - 687.A	\$10,578	\$10,578	Reserves	-
Ohai - Playground equipment - 640.s	\$6,347	\$6,347	Reserves	-
Te Anau - Henry Street play equipment - 615.b	\$52,890	\$52,890	Rates	-

### Cost of Service Statement variances

There are no major variances from the LTCCP.

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

The community as a whole benefits from recreational opportunities. There are also benefits to businesses, such as tourism. The majority of operating costs are funded from rates (a mix of local and district, depending on who holds responsibility). Rates may be offset by revenue from reserve users and occupiers, such as sports groups or events. These vary between grounds and over time. Capital works are also funded this way, though loans may also be used. Capital works related to expansion of facilities may be funded through financial or development contributions.

### What does it cost?

LTCCP 2010/2011	Parks and Reserve	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
616,583	Rates	674,632	697,632
35,526	Activity Revenue	49,490	56,104
273,255	Development & Financial Cont	-	-
925,364	<b>Total Operating Revenue</b>	724,122	753,736
<b>Operating Expenditure</b>			
127,604	Depreciation	128,749	128,749
581,667	Other Operating Costs	607,474	613,063
709,271	<b>Less Total Operating Expenditure</b>	736,223	741,812
216,093	<b>Operating Surplus/(Deficit)</b>	(12,101)	11,924
216,093	Operating Surplus/Deficit transferred to/(funded from) Reserves	(12,101)	11,924
<b>CAPITAL AND RESERVES</b>			
252,595	Acquisition-Demand	-	-
86,435	Acquisition-Level of Service	71,931	69,611
17,527	Renewals	51,403	76,562
356,557	<b>Total Capital Expenditure</b>	123,334	146,173
28,210	Transfers to Reserves	41,753	60,385
28,210	<b>Total Capital Movements</b>	41,753	60,385
-	Operating Deficit	12,101	-
384,767	<b>Total Funding Required</b>	177,188	206,558
<b>Funded By</b>			
120,925	Non Cash Expenditure	122,070	122,070
47,749	Transfers from Reserves	55,118	72,564
216,093	Operating Surplus	-	11,924
384,767	<b>Total Funding Applied</b>	177,188	206,558

# Public Conveniences

*Aim: To provide good quality public toilets at key locations.*

## What we do

There are 70 public conveniences in the Southland District that are operated and maintained by Council. In addition, Council provides a small amount of funding for cleaning of three privately owned toilets which are available for public use. These facilities are located along key travel routes and at key destinations such as reserves, beaches and other public gathering spots. A number of toilets are also located at playgrounds or recreation areas in townships. The Council manages the cleaning and maintenance of these facilities.

## Why we do it

Public conveniences contribute to a treasured environment, in particular a healthy safe environment by providing facilities to appropriately deal with human waste from visitors and residents. The conveniences, located throughout Southland, also minimise the negative effects of human activities and help to protect public health by preventing contamination caused by indiscriminate fouling, which could otherwise pollute waterways, road sides and recreational areas throughout the District.

## What are the key issues?

### *Lions Park Toilet*

The new Lions Park Toilet was completed and opened in December 2010. The new toilets operate on a user pays basis and Council will be monitoring this system over the coming year in order to determine whether it can be applied to other tourist toilet facilities in the District.

### *Riverton Cemetery Toilet*

The Draft Annual Plan sought feedback from the community on whether the toilet at the Riverton Cemetery should be replaced or removed in the future. Replacement would cost \$25,000 with yearly maintenance costing around \$5,000. The toilet is currently in poor condition and is subject to vandalism. Five people submitted on the subject, with three in support of an upgrade and two believing it should be removed. Council passed this on the Riverton Community Board and the Board will be deciding on the future of the cemetery toilet for the Long Term Plan.

## What level of service will Council provide?

Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)				
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 09/10	Target 11/12	Source
Quality Maintain public conveniences in a good and clean condition.	Number of complaints about the cleanliness and safety of public conveniences.	35	Less than 10	Quarterly Report
	Percentage of toilets that are cleaned in accordance with contractual standards.	96%	90%	Audit Inspections
Quantity Provide sufficient <sup>1</sup> toilets at convenient locations.	Percentage of Council public toilets within 65 km of each other along key travel routes.	97%	97%	GIS Map
1. "Sufficient" means within 65 km of each other on key travel routes (3/4 hour travel time if travelling at 85 km/hr) - there are 30 toilets on these routes. Sufficient can also relate to having enough pans to meet normal demand at each location and being in other key locations (such as playgrounds).				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Colac Bay - Toilet upgrade - 570.z	-	\$25,000	Rates	The Colac Bay toilet upgrade has been carried forward from 2008/2009 to 2011/2012 with work already underway sorting out boundaries and resource consent.
Garston - Toilet upgrade - 568.z	\$316,414	-	Loan	Toilet upgrade was budgeted to be undertaken in 2011/2012 in last year's Annual Plan however it has now been deferred to 2012/2013 in order to gather information on the new Te Anau Lions Park toilet user pays system, as the toilet may operate in a similar manner.
Lumsden - Painting in and out and new handryers - 735.a	-	\$15,000	Rates	A new project to paint the Lumsden toilets and install new hand dryers is planned for 2011/2012 as it has been identified that this work will need to be completed prior to the toilets major upgrade in 2018/2019. The new cycle trail may also have an impact on what work is needed for this facility in the future.
Mossburn - Toilet upgrade - 578.z	\$317,342	-	Loan <sup>UPAYS</sup>	Deferred until 2012/2013 in order to gather information on the Te Anau Lions Park toilet user pay model.
Tokanui - Toilet upgrade - 594.z	\$5,289	\$5,289	Rates <sup>D/L</sup>	-
Tuatapere - Mural on side of toilet building – 661.z	-	\$4,000	Reserves	The budget for the mural has been carried forward from 2010/2011. The mural has been partially completed.

UPAYS - Indicates proposed user pays funding to repay loans

D - Funded from District contributions

L - Funded from Local rates (township/ward)

### Cost of Service Statement Variations

Capital expenditure and loans raised has decreased as a result of the Mossburn toilet project being deferred until 2012/2013 as noted above. Financing costs have decreased, with a corresponding increase in operating costs as a result of changing some loan funding of projects from external to internal.

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

Public conveniences benefit residents and visitors through the provision of facilities, as well as the broader public through public health benefits. Visitors and users of recreational spaces create the need for these facilities. Council applies a range of funding policies, depending on the nature of the facility. The funding mix for each type of facility is made up of different types of rates (District, local or ward) and, where appropriate, user charges. This funding formula is used for both capital and operating expenses. Capital works may be funded from reserves or loans in the first instance and recovered by rates.

### What does it cost?

LTCCP 2010/2011	Public Conveniences	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
104,456	Rates	106,930	127,141
115,166	Activity Revenue	152,861	148,467
219,622	<b>Total Operating Revenue</b>	259,791	275,608
<b>Operating Expenditure</b>			
89,833	Depreciation	121,574	121,574
48,658	Finance Costs	68,164	-
(25,233)	Other Operating Costs	118,933	206,993
113,258	<b>Less Total Operating Expenditure</b>	308,671	328,567
106,364	<b>Operating Surplus/(Deficit)</b>	(48,880)	(52,959)
106,364	Operating Surplus/Deficit transferred to/(funded from) Reserves	(48,880)	(52,959)
<b>CAPITAL AND RESERVES</b>			
484,570	Acquisition-Level of Service	322,631	45,274
484,570	<b>Total Capital Expenditure</b>	322,631	45,274
51,857	Loans Repaid	67,405	27,341
51,857	<b>Total Capital Movements</b>	67,405	27,341
-	Operating Deficit	48,880	52,959
536,427	<b>Total Funding Required</b>	438,916	125,574
<b>Funded By</b>			
309,300	Loans Raised	317,342	-
89,833	Non Cash Expenditure	121,574	121,574
30,930	Transfers from Reserves	-	4,000
106,364	Operating Surplus	-	-
536,427	<b>Total Funding Applied</b>	438,916	125,574

# 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 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.

The Council also plays a strong advocacy role in representing local interest by way of submissions, deputations and lobbying regional and central government and other agencies on issues affecting the residents and ratepayers of the District. Council is proactive in ensuring that there is appropriate representation on national working parties and organisations so that a southern and rural perspective 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?

### *Representation Review*

A key initiative this year is to begin the review of representation for the Southland District Council. This includes ensuring that the representation is fair and effective (via the number of Councillors and the way they are elected) across the District. It will also look at the different communities of interest in Southland and whether these are fairly and effectively represented through Community Boards.

### *Shared Services*

Council is firmly committed to exploring shared services opportunities with the other councils in the region where they will provide benefits to the District's ratepayers. Through shared services Council believes it can retain the rural autonomy and voice which is important for the district while delivering the benefits of sharing expertise, purchasing power and avoiding any duplication. It also can provide better value for money and better services. The Auckland supercity will develop momentum over the period of this Annual Plan and lessons may be learned and applied to the shared services in Southland. 'Shared Services' is run by a joint committee of councils which is independently chaired.

### 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 08/09	Target 10/11	Source
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).	88% <sup>1</sup>	85%	Survey - Resident
	Percentage of agreement that Council allows decisions to be made locally by local people.	Not measured <sup>1</sup>	75%	
Leadership - Council to provide leadership and advocacy on major issues affecting residents.	Percentage of resident satisfaction with Council decision-making and leadership.	86% <sup>1</sup>	85%	
	Percentage of residents who agree Council represents the interests, values and desires SDC residents.	88% <sup>1</sup>	85%	

1. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no projects planned or any major variances from the LTCCP.

### Cost of Service Statement variances

An increase in contributions to township activities has resulted in increased operating costs.

### 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?

LTCCP 2010/2011	Representation and Advocacy	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
2,449,466	Rates	2,540,995	2,576,757
81,607	Activity Revenue	39,289	22,969
2,531,073	<b>Total Operating Revenue</b>	2,580,284	2,599,726
<b>Operating Expenditure</b>			
15,189	Depreciation	15,101	17,068
2,644,787	Other Operating Costs	2,541,399	2,668,513
2,659,976	<b>Less Total Operating Expenditure</b>	2,556,500	2,685,581
(128,903)	<b>Operating Surplus/(Deficit)</b>	23,784	(85,855)
(128,903)	Operating Surplus/Deficit transferred to/(funded from) Reserves	23,784	(85,855)
<b>CAPITAL AND RESERVES</b>			
-	Renewals	39,336	-
-	<b>Total Capital Expenditure</b>	39,336	-
(47,051)	Transfers to Reserves	76,517	58,600
(47,051)	<b>Total Capital Movements</b>	76,517	58,600
128,903	Operating Deficit	-	85,855
81,852	<b>Total Funding Required</b>	115,853	144,455
<b>Funded By</b>			
575	Non Cash Expenditure	487	487
81,277	Transfers from Reserves	91,582	143,968
-	Operating Surplus	23,784	-
81,852	<b>Total Funding Applied</b>	115,853	144,455

# 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 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?

### *District Plan Review Update*

Council is continuing to review its District Plan, a document that manages land use and development in Southland, in collaboration with Environment Southland and its Regional Policy Statement. The initial policy drafting stage was completed in November 2010 and the draft objectives and policies are now being used in the current method drafting stage of both reviews. The District Plan methods drafting stage will progress through the first half of 2011 with Council aiming to have a draft second generation Southland District Plan ready for notification to the public by the end of 2011.

Both the District Plan review and the Resource Consent process will need to take into account changes in the legislative landscape due to both National Policy Statements (NPS) and National Environmental Standards (NES). The review of the New Zealand Coastal Policy Statement was the first of these to be released although the Government has signalled that they want to produce more of them. The Government's current work programme includes NPSs' on Biodiversity, Electricity Transmission, Renewable Electricity Generation, Freshwater Management and Urban Design. It is also working on NESs' for Contaminants in Soil, Plantation Forestry, Future Sea-Level Rise, and Ecological Flows and Water Levels.

### *New Resource Management Charges*


The charge for notified consents has been increased from \$2,222 to \$4,348 based on the average cost incurred in processing this type of consent. Note however that this is the basic charge with applicants getting refunded if less work is required to process the consent or charged more if more work is needed. Subdivision approval fees have also increased slightly to more accurately reflect the time that it takes to process these approvals.


The charge out rate for Compliance Officers undertaking consent monitoring and investigation has been proposed to increase for the 2011/12 year. Where it has been established that a breach of a resource consent has occurred or monitoring is needed, the time taken for a Compliance Officer to investigate, visit, research, or attend to correspondence/administration shall be charged at between \$107 and \$113 per hour.

### Landscape Assessment Project

Council received a submission from Environment Southland requesting funding of \$39,000 in 2011/2012 for Phase 2 of the region-wide landscape assessment project. Council approved this funding request as the information will be useful for the District Plan review and will save costs by taking a collaborative approach with Environment Southland. This will be paid for out of the existing District Plan budget for 2011/2012. There was also a request from Biodiversity Southland for Council to contribute \$20,000 towards Environment Southland's Biodiversity enhancement fund however Council did not approve this request as it felt it was not currently in a position to do so (as the Council was already giving a number of additional grants to other causes this year) but said that it may support it in the future.

### 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	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
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.	Not measured <sup>2</sup>	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 - 59% <sup>3</sup> Staff - 71% <sup>3</sup> Info - 74% <sup>3</sup>	70%	Survey - User
Quality Ensure adequate opportunities are provided for public and Iwi input into policy development and consent processes.	Number of procedural errors.	1	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.	By 30 June	By 30 June	Report to Council
	Regularly review subdivision standards to reflect best practice.	Not measured	-	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%	100%	Quarterly Report
Efficiency Ensure consents are processed efficiently.	Percentage of applications processed within required timeframes. <sup>1</sup>	79%	90%	Quarterly Report
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.	65% <sup>3</sup>	70%	Survey - User

<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 09/10	Target 11/12	Source
<b>Responsiveness</b> All public complaints about effects on the environment are investigated and reported on, in a timely/professional manner.	Percentage of complaints investigated within five working days or the timeframe advised.	96%	100%	Quarterly Report
1. Timeframes for processing non-notified resource consent applications is 20 working days. "Receipt" means all the required information has been supplied. 2. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009. 3. A Resource Management User Survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

Note the Council is aiming to increase the target for the percentage of users satisfied with the overall service provided, performance of staff and the information provided and the percentage of users who agree that timely guidance and assistance is provided by Resource Management staff from 60% in 2009/2010 to 75% for 2012/2013 and onwards. The target is also increasing for the percentage of applications processed within required timeframes from 80% in 2009/2010 to 95% for 2012/2013 onwards.

### What are the projects and variances from the LTCCP?

There are no projects planned (apart from the District Plan review) or any major variances from the LTCCP.

### Cost of Service Statement variances

Activity revenue has decreased as a result of consent monitoring now being undertaken by the Health Regulation Compliance Officer. Operating costs and loans raised have increased as a result of carrying forward District Plan costs, and the proposal to fund these costs from a loan.

### 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?

LTCCP 2010/2011	Resource Management	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
898,934	Rates	1,057,768	896,880
413,423	Activity Revenue	422,508	376,887
1,312,357	<b>Total Operating Revenue</b>	1,480,276	1,273,767
<b>Operating Expenditure</b>			
4,409	Depreciation	4,409	5,291
1,901,149	Other Operating Costs	1,919,026	2,236,209
1,905,558	<b>Less Total Operating Expenditure</b>	1,923,435	2,241,500
(593,201)	<b>Operating Surplus/(Deficit)</b>	(443,159)	(967,733)
(593,201)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(443,159)	(967,733)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
-	<b>Total Capital Movements</b>	-	-
593,201	Operating Deficit	443,159	967,733
593,201	<b>Total Funding Required</b>	443,159	967,733
<b>Funded By</b>			
-	Loans Raised	-	701,836
593,201	Transfers from Reserves	443,159	265,897
-	Operating Surplus	-	-
593,201	<b>Total Funding Applied</b>	443,159	967,733

# 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>2</sup> The activity also provides other infrastructure such as footpaths, carparks 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 financial assistance 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?

*Emphasis on minimising roading debt –*

Council's last LTCCP in 2009 identified that a number of the District's sealed roads (built during a peak period in the 1960's and 1970's) were coming to the end of their economic life and that a significant increase in renewals and other capital work was needed to ensure that roads were capable of delivering the level of service set by Council. Financially the LTCCP showed that expenditure needed to be about \$2.4 million higher than the previous year (and rates approximately \$1.1 million higher) to complete the revised programme of work. At that time, instead of increasing rates in one year to get to the required level, the Council decided to gradually increase rates over the 10 year period and "borrow" funds in the early years to do the extra work. The idea was that by 2013/2014 rates would be at the level needed to fund the roading programme, and with the required programme of works flattening out, the annual increase in rates after that would be used to repay all of the loans by 2018/2019.

Shortly after the Council adopted that plan, the New Zealand Transport Agency (who provides financial assistance for roading from petrol tax and road user charges) announced that the Government was limiting the amount of funding that it would provide for the three years to six years, and that it would not provide enough funding to pay for 'any' increased programme. Despite this, Council decided to keep the budgets unchanged in the hope that additional funding from NZTA would be made available. Since then, the Government has signalled that there is unlikely to be any increases in its funding and that its contribution towards roads is likely to stay the same or even drop in the future, particularly given current economic conditions and the significant recovery effort that will be needed for the recent earthquake in Christchurch. This combined with the impact of rapid increase in fuel costs would mean that rates would have to increase significantly if the planned programme was to be carried forward as it currently stands.

<sup>2</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.

As a result, this year the Council has been looking at how it can use the funding that it does have to keep roads in a good condition and at the same time, reduce the amount of funds “borrowed” to smooth out rate increases. The Council cut the level of roading expenditure by around \$1.5 million for 2011/2012 from what was previously targeted in the LTCCP to match the funding programme from Government (including expenditure that is still subject for NZTA funding approval on a project basis) and has carried over funding for roading from the 2010/2011 year as not all work scheduled to be done is expected to be completed by 30 June 2011. The majority of the cuts in expenditure are for capital work which had been planned to renew or improve sealed and unsealed roads. At the same time Council has maintained last year’s roading rate increase of 7.08% which will mean that less has to be “borrowed” to fund the work. The current roading debt of \$6.9 million will increase to \$8.4 million by June 2012, reaching a maximum of \$8.5 million by June 2013 before reducing and being paid off by June 2018.

Given that Council will be preparing a new Roading Activity Management Plan and Long Term Plan during 2011, the Council has indicated that it will consider the appropriate level of rates and associated level of service during that process. Once this work is done, the impacts of any long term reductions in expenditure will be better understood and the Council will be able to discuss the options available with the community to find a compromise. At this stage it looks likely that the Council will need to look at reducing the standard of roads, particularly given the increases in the cost of oil (which is a core component of roading costs including bitumen) and the cap on the level of financial assistance coming from the Government. Both of these factors mean that roading is likely to cost ratepayers more in the future, even to do the same amount of work. If the community wants to reduce roading rates further, the only way to achieve this in the future will be to make significant cuts to the level of service and standard of roads throughout the District.

#### *Roading Contracts Up for Review*

Several key roading related contracts have recently been extended or are up for renewal in 2011/2012. Three of the regional maintenance contracts have been extended including the Central Alliance Contract (until 30 June 2013), the North-West Contract (until 30 June 2013) and the South East Alliance (Foveaux Alliance) Contract (until 30 April 2014). The capital works reseals programme contract has also been out for tender and was being finalised at the time this Annual Plan was published. In addition, the Professional Services Contract which is for the provision of contract administration, design and survey services and management of data related to roading has also been extended to 2011/2012 and will be revised in future to more of an alliance collaboration contract.

The Council is currently working through the best way to structure new contracts to ensure that they continue to deliver the best value for money, encourage efficiencies and allow Council to adapt to our changing financial conditions, particularly as they make up a large part of the Council’s roading activity costs and Council is faced with the possibility of funding being flat lined from NZTA in the future. This will include the promotion of collaboration and alliance performance contracting, aligning the Council and the contractors with changing community needs.

#### *Economic Value of Roads and Gravel*

Council has been undertaking a project to develop an Economic Network Plan of the District’s roads to help understand the impacts of land use changes on Southland’s economy and associated Council infrastructure. The Plan will also identify the varying economic values of roads within the Council’s network. This information, once completed will be used to help forecasting and long term planning, in particular for infrastructure needs.

#### *Gravel resources*

Council is also reviewing the sustainability of gravel resources which comprise around 20% of the roading budget. Increased controls on taking gravel from rivers have resulted in a reduction in the availability of gravel for roading works. As such the Council is looking at how it can better use its own gravel reserves, work more collaboratively with existing gravel providers as well as liaise with Environment Southland and Fish and Game to identify gravel sites at key locations throughout the District that may be suitable for extraction, while minimising environmental impact.

### Roading Model Updated

For a number of years Council has shared out the cost of roading amongst properties in the District based on a model. The model's formula provides a way to allocate the costs of roading to those sectors that create the costs through their use of the network.

In the Annual Plan, the variables in the formula have been updated including the number of properties in each sector, the volumes (tonnes) produced by each sector (Table 1), the total roading budget and where that budget is spent. Table 2 shows the effect of the changes on the Model's Share of Costs (C) as well as the Share of Costs (D) that Council is proposing to use for the 2011/2012 year. In developing the 2011/2012 share of costs, Council considered the following:

- The 'other' sector continues to pay a 1% cost share because it includes a number of not for profit organisations.
- The 'residential' share to pay a 9.5% cost share allowing for unquantified heavy vehicle movement.
- The 'mining' sector continues to pay around half of the model's cost share due to there being a small number of properties in this sector.
- The 'non-dairy' sector to pay cost shares as derived from the model.
- The 'forestry' sector cost share to pay at 6% reflecting current activity impacting on the roading network.
- The 'dairy' sector to pay cost shares as derived from the model.
- The 'commercial', 'industrial' and 'lifestyle' sectors to pay the model's share of costs.
- Costs shares should be rounded to half percents.

**Table 1: Change in Tonnage**

Sector	2009	2010	2011
Mining	251,686	386,164	510,089
Aggregates	461,471	433,952	392,862
Non-Dairy	425,045	422,800	396,992
Dairy	1,490,448	1,874,026	2,081,210
Forestry	488,902	520,984	575,639
Industrial	53,244	222,099	263,746
Total	3,170,795	3,860,025	4,220,539

The land use sectors with increases in tonnage were Dairy, Mining, Forestry and Industrial. The Dairy sector significantly influenced changes in tonnage for the Mining and Industrial sectors as both these sectors service dairy farms (e.g. fertiliser). Growth in the Forestry sector reflects a maturing of harvestable logs in Southland, a trend expected to continue over the next few years.

### Comparison of Share of Costs for Each Sector (Model versus Adopted)

Comparing the 2010/2011 share of costs with the revised model for 2011/2012 and Council's split (GST exclusive)										
Sector	Rating Units (UTR)	2010/2011 Model Share of Cost (A)		Current 2010/2011 Share of Costs (B)		Updated Model Share of Costs (C)		Adopted 2011/2012 Share of Costs (D)		% Change (B to D)
		%	Dollars	%	Dollars	%	Dollars	%	Dollars	
Mining	23	3.33%	\$336,285	1.5%	\$151,414	3.88%	\$419,769	2.0%	\$216,186	42.8%
Non-Dairy	3,207	39.40%	\$3,977,509	39.0%	\$3,936,775	37.88%	\$4,094,820	37.5%	\$4,053,483	3.0%
Dairy	744	32.88%	\$3,318,995	31.0%	\$3,129,231	32.75%	\$3,540,279	33.0%	\$3,567,065	14.0%
Forestry	175	4.88%	\$492,447	5.5%	\$555,186	4.78%	\$517,092	6.0%	\$648,557	16.8%
Industrial	327	4.07%	\$410,554	4.0%	\$403,772	4.02%	\$435,041	4.0%	\$432,371	7.1%
Commercial	462	2.70%	\$273,035	3.0%	\$302,829	2.56%	\$277,079	3.0%	\$324,279	7.1%
Lifestyle	2,280	3.72%	\$375,566	5.0%	\$504,715	3.84%	\$414,729	4.0%	\$432,371	-14.3%
Residential	7,891	6.19%	\$624,930	10.0%	\$1,009,429	6.28%	\$678,612	9.5%	\$1,026,882	1.7%
Other	316	2.82%	\$284,972	1.0%	\$100,943	4.00%	\$431,867	1.0%	\$108,093	7.1%
	<b>15,424</b>		<b>\$10,094,294</b>		<b>\$10,094,294</b>		<b>\$10,809,287</b>		<b>\$10,809,287</b>	<b>7.08%</b>

### What level of service will Council provide?

<b>Primary outcome: A diverse economy built from our strengths for growth and prosperity (2) and Safe places in a caring society that is free from crime (3)</b>				
<b>Intermediate outcome: We have a quality infrastructure with potential for growth (2.1) and We have safe roads (3.1)</b>				
<b>What Council will provide</b>	<b>How Council will measure the service provided</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
Accessibility - Roads to provide a smooth and comfortable ride quality.	Percentage of sealed roads providing a smooth and comfortable ride. <sup>1</sup>	95%	85%	Roughness Rating Survey RAMM Database
	Percentage of requests to fix roading surface faults are completed within the timeframe specified in contracts.	77%	85%	Pathways
	Percentage of gravel road tests where the roughness of the road does not meet acceptable standards. <sup>3</sup>	96.9%	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>	Not measured	85%	Pathways
Accessibility - To provide an adequate level of streetlighting for safe and efficient movement of vehicles, cyclists and pedestrians.	Percentage of residents satisfied with basic lighting levels in urban streets.	85% <sup>5</sup>	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.	Decrease of 7% <sup>5</sup>	Increasing trend	Survey - Resident
Accessibility - Roads to be maintained to an appropriate standard.	Percentage of residents that agree that sealed roads are adequately maintained.	71% <sup>5</sup>	75%	Survey - Resident
	Length (or percentage) of the roading network rehabilitated this year compared with targets.	51%	100%	RAMM
	Length (or percentage) of the roading network resealed this year compared with targets.	85%	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.	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).	75 <sup>4</sup>	Reducing trend	NZTA reports
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. 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. 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. 4. While the target is reported on annually, the indicator is best looked at over a five year period. 5. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

Note the Council is aiming to improve its targets for a number of roading key performance indicators from 2009/2010 to 2012/2013 including the percentage of sealed roads providing a smooth and comfortable ride, the percentage of requests to fix roading surface faults completed within the timeframe specified in contracts and the percentage of gravel road test where roughness of the road does not meet acceptable standards.

### What are the projects and variances from the LTCCP?

Project Description	LTCCP 2011/2012	NZTA Approved 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
<b>Roading - Operating and Maintenance Projects</b>					
Sealed Pavement Maintenance	\$3,358,877	\$2,415,167	\$2,415,167	Rates, Financial Assistance (NZTA) and Loans	LTCCP operating and maintenance expenditure has been adjusted to match the revised NZTA Approved Programme as described in the "Key Issues" section above. In addition, the Annual Plan 2011/2012 includes an allowance for an additional project related to studies and strategies which will be submitted for approval to NZTA on an individual project basis and is subject to approval.
Unsealed Pavement Maintenance	\$1,972,600	\$2,059,021	\$2,059,021		
Routine Drainage Maintenance	\$622,599	\$913,886	\$913,886		
Structures Maintenance	\$576,009	\$259,935	\$259,935		
Environmental Maintenance	\$555,773	\$1,164,654	\$1,164,654		
Traffic Services Maintenance	\$264,710	\$455,000	\$455,000		
Cycle Path Maintenance	\$15,883	-	-		
Level Crossing Warning Devices	\$26,471	\$25,825	\$25,825		
Network and Asset Management	\$1,209,196	\$1,707,263	\$1,707,263		
Studies & Strategies	\$158,826	-	\$158,826		
<b>TOTAL MAINTENANCE</b>	<b>\$8,760,944</b>	<b>\$9,000,751</b>	<b>\$9,159,577</b>		
<b>Roading - Renewal and Capital Expenditure Projects</b>					
Unsealed Road Metal - Acquisition LOS	\$316,488	\$272,502	\$272,502	Rates, Financial Assistance (NZTA) and Loans	LTCCP renewal and capital expenditure was reduced to around \$16.5 million in the Draft Annual Plan to match the revised NZTA Approved Programme as described in the "Key Issues" section above. These reductions have been partially offset by an increase in minor improvement works. In addition, \$2.5 million has been carried forward from work not completed in 2010/2011 to bring the total renewal and capital expenditure programme for 2011/2012 to nearly \$19 million.
Sealed Road Resurface - Renewal	\$5,649,976	\$4,900,000	\$5,900,000		
Drainage Renewals - Renewal	\$79,413	\$96,125	\$96,125		
Drainage Renewals - Acquisition LOS	\$79,413	\$96,125	\$96,125		
Pavement Rehabilitation - Renewal	\$4,849,788	\$4,222,160	\$4,222,160		
Sealed Roads - Acquisition LOS	\$105,884	-	-		
Structure Component - Renewal	\$105,884	\$250,000	\$450,000		
Traffic Services - Renewal	\$1,081,246	\$932,735	\$932,735		
Traffic Services - Acquisition LOS	\$60,185	\$67,265	\$67,265		
Associated Improvements - Acquisition LOS	\$709,000	\$400,000	\$400,000		
Unsealed Road Metal - Renewal	\$2,848,388	\$2,452,522	\$3,052,522		
Bridges - Acquisition LOS	\$58,236	-	\$51,500		
Bridges - Renewal	\$524,126	-	\$863,500		
Minor Improvements Renewals	\$725,094	\$170,000	\$170,000		
Minor Improvements - Acquisition LOS	\$1,087,641	\$2,077,000	\$2,077,000		
Pedestrian Facility - Acquisition LOS	\$52,942	-	-		
Cycle Facilities - Acquisition LOS	\$52,942	-	-		
Bus Services	\$15,883	-	-		
PT Operations Maintenance	\$52,942	-	-		
<b>Preventive Maintenance</b>	-	-	\$300,000		
<b>TOTAL CAPITAL</b>	<b>\$18,455,471</b>	<b>\$15,936,434</b>	<b>\$18,951,434</b>		
<b>TOTAL</b>	<b>\$27,089,355</b>	<b>\$24,937,185</b>	<b>\$28,111,011</b>		

## Footpath - Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Edendale - Footpath upgrade - 633.s	\$10,568	\$10,568	Reserves	-
Ohai - Upgrade Footpaths - 681.z	\$3,170	\$6,300	Rates	The \$3,099 budgeted for a footpath upgrade in 2010/2011 has been carried forward and will now be undertaken with the upgrade planned for 2011/2012.
Orepuki - Information Kiosk - 641.s	-	\$8,000	Rates	The information kiosk has been carried forward from 2010/2011 as it is still in progress.
Otautau - Footpaths Upgrade - 706.A	\$10,568	-	Rates	Deleted because \$60,000 is being spent on footpath upgrades in the 2010/2011 year.
Riverton - Footpaths - 717.A	\$42,270	\$42,270	Rates	-
Te Anau - Concrete kerbing - 604.s	\$6,869	\$6,869	Rates	-
Tokanui - Upgrade existing footpaths - 635.s	\$5,284	\$16,005	Rates and Reserves	Projects carried forward from 2009/2010 and 2010/2011.
Tuatapere - Footpath reconstruction project - 701.S	-	\$6,700	Rates	This is a project which was originally planned for 2009/2010 with a budget of \$60,000. Reconstruction of the footpath started in 2010/2011 with stage one south of the Town Hall and stage two alongside the Four Square shop complete. The remaining part of the project has been carried forward to 2011/2012.
Wyndham - Footpaths - 721.A	\$3,170	\$3,170	Reserves	-

## Footpath Asset Acquisition Projects - Caused by changes in levels of service

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Lumsden - Footpath replacement - 78.A	-	\$35,000	Reserves	A new project to replace the footpath on Maria Street is planned for 2011/2012 because it is in need of repair.
Manapouri - Footpath upgrade - 600.s	-	\$400,000	Rates & Reserves	The View Street footpath upgrade has been carried forward from 2010/2012 to 2011/2012 and the budget adjusted down from \$650,000 to \$400,000 as NZTA have advised that the anticipated funding of \$250,000 is not available because of the low traffic volumes.
Manapouri - Kerb upgrade - 601.s	-	\$250,000	District Contribution	The View Street Kerb upgrade has been carried forward from 2010/2012 to 2011/2012 due to delays in finding out whether NZTA funding would be available for the upgrade.
Nightcaps - Footpath Upgrade - 686.A	\$52,838	\$47,354	Reserves	\$5,484 was already spent in 2010/2011 for this project.
Riverton - Streetlights - 718.A	\$555	-	Rates	This project has been deleted as it is expected to be no longer required.
Stewart Island - New footpaths - 657.A	\$10,568	\$10,568	Rates	-
Stewart Island - Streetlights - 658.A	\$8,454	\$8,454	Rates	-
Thornbury - Footpath opposite museum - 648.s	-	\$4,000	Rates	This project was scheduled for 2009/2010 however will now happen in 2011/2012.
Tuatapere - Concrete kerbs - 702.s	\$2,695	\$2,695	Rates	-
Tuatapere - Frontage at Information Centre - 736.A	-	\$6,500	Reserves	This is a new project which includes minor drainage, reshaping and resealing of the carpark area in the front of the Information Centre.
Wallacetown - Footpath upgrade - 668.s	\$42,270	\$42,270	Reserves, Rates and Loan	-
Wallacetown - Kerb and Channel - Dunlop Street upgrade - 665.s	\$52,838	\$52,838	Reserves, Rates and Loan	-
Winton - Concrete kerbs - 720.A	\$5,284	\$5,284	Rates	-

### Cost of Service Statement Variations

Operating costs have increased due to carrying forward programmed expenditure from 2010/2011 year. Capital renewals have decreased as a result of timing differences in the spend on the NZTA approved programme. Loans raised are in relation to the Manapouri streetworks project. Financing costs have decreased, with a corresponding increase in operating costs as a result of changing some loan funding of projects from external to internal.

### 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. Roothing is funded from a mix of rates and Central Government financial assistance. Roothing costs are funded from Central Government financial assistance; 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:

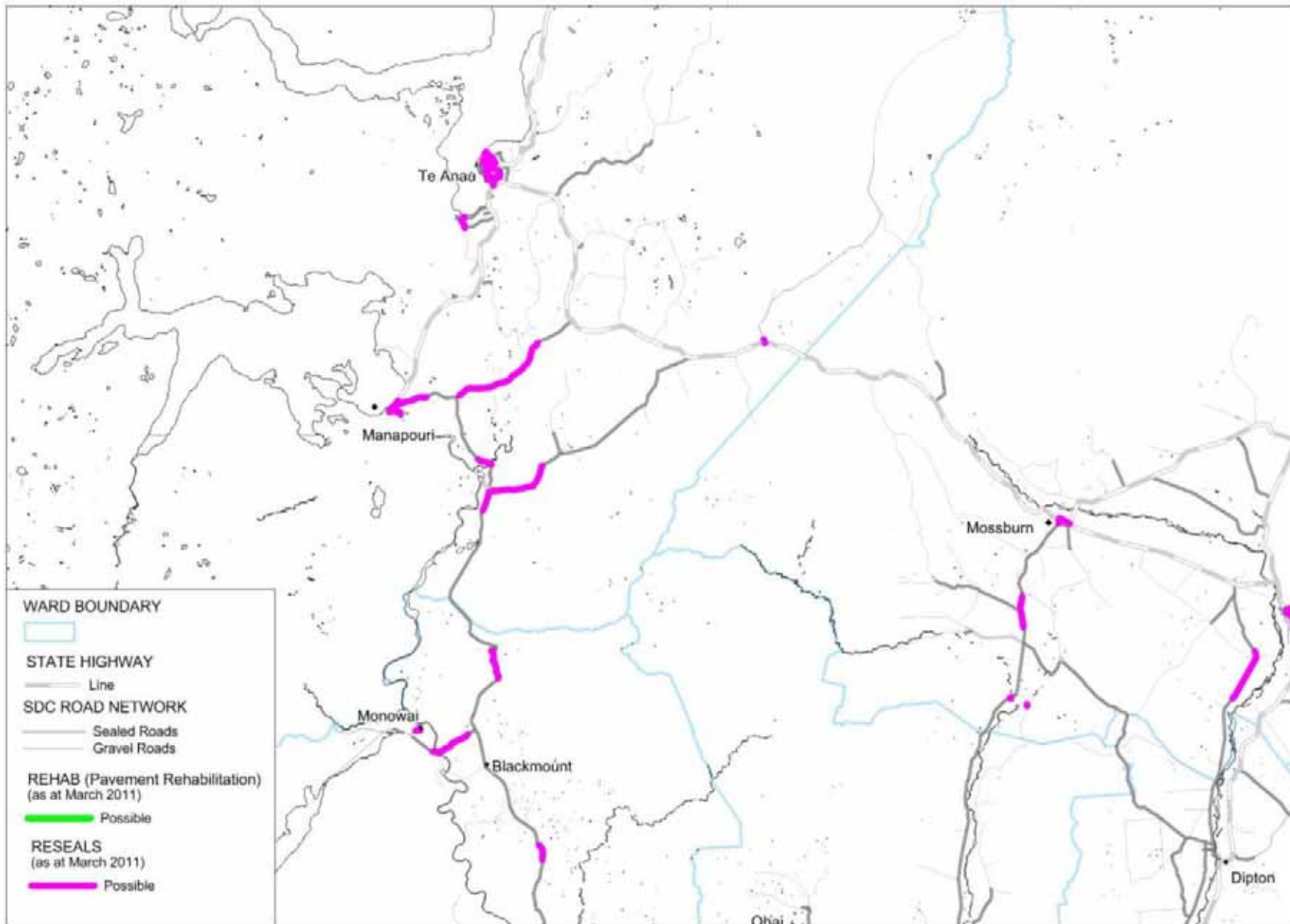
- General roading costs are allocated between sectors by capital value.
- Structural/pavement costs, which are generated by heavy traffic, are allocated by tonnage in the case of rural sectors, and apportioned between the commercial and industrial sectors by the number of properties.
- A percentage share 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 (streetworks 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 of the LTCCP.

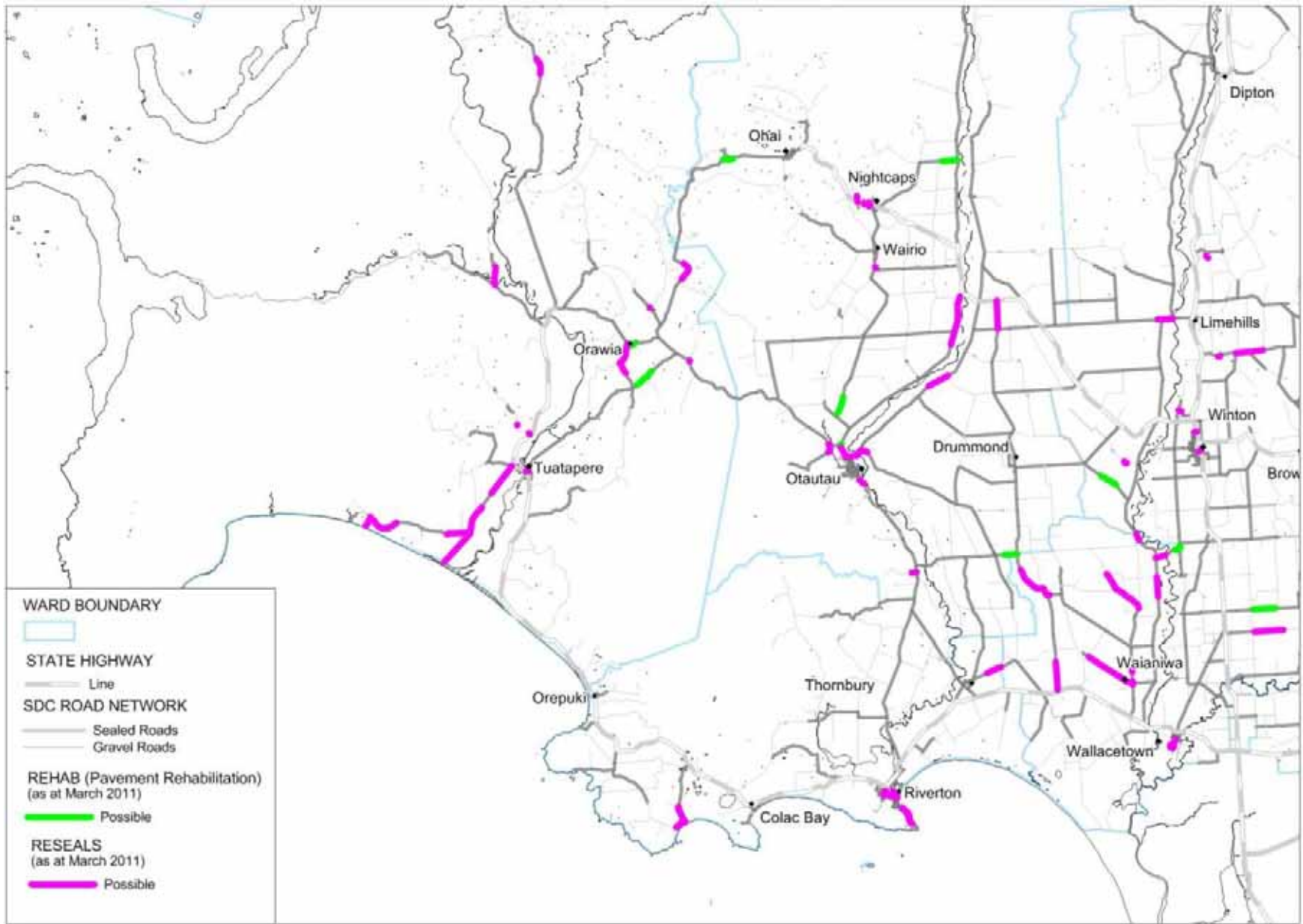
### What does it cost?

LTCCP 2010/2011	Roothing and Transport	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
10,709,769	Rates	11,560,561	11,388,974
65,795	Activity Revenue	56,975	53,414
14,840,615	NZ Transport Agency	15,439,720	15,995,821
351,220	Grants and Donations	359,298	2,612,810
25,967,399	<b>Total Operating Revenue</b>	27,416,554	30,051,019
<b>Operating Expenditure</b>			
16,982,836	Depreciation	17,608,212	17,608,185
221,715	Finance Costs	189,341	-
9,676,329	Other Operating Costs	10,025,820	10,611,920
26,880,880	<b>Less Total Operating Expenditure</b>	27,823,373	28,220,105
(913,481)	<b>Operating Surplus/(Deficit)</b>	(406,819)	1,830,914
(913,481)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(406,819)	1,830,914
<b>CAPITAL AND RESERVES</b>			
2,352,215	Acquisition-Level of Service	2,698,233	3,840,048
-	Vested Assets	-	2,250,000
15,522,776	Renewals	15,945,814	16,087,540
17,874,991	<b>Total Capital Expenditure</b>	18,644,047	22,177,588
531,252	Loans Repaid	573,637	411,499
23,199	Transfers to Reserves	13,170	13,000
554,451	<b>Total Capital Movements</b>	586,807	424,499
913,481	Operating Deficit	406,819	-
19,342,923	<b>Total Funding Required</b>	19,637,673	22,602,087
<b>Funded By</b>			
-	Loans Raised	-	571,689
16,969,327	Non Cash Expenditure	17,594,703	17,594,703
2,373,596	Transfers from Reserves	2,042,970	2,604,781
-	Operating Surplus	-	1,830,914
19,342,923	<b>Total Funding Applied</b>	19,637,673	22,602,087

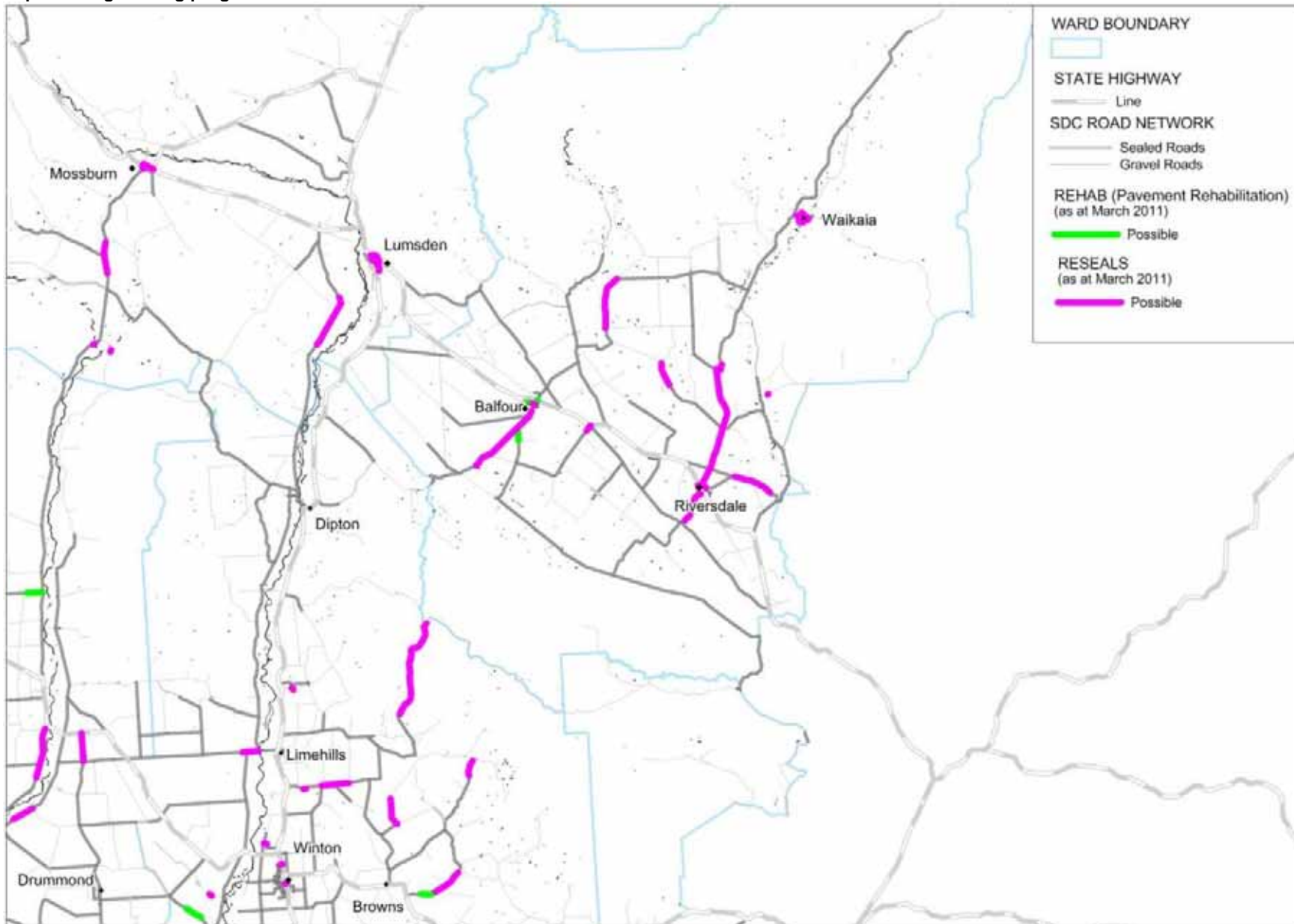
Map showing roading programme 2011/2012 - North/West Southland



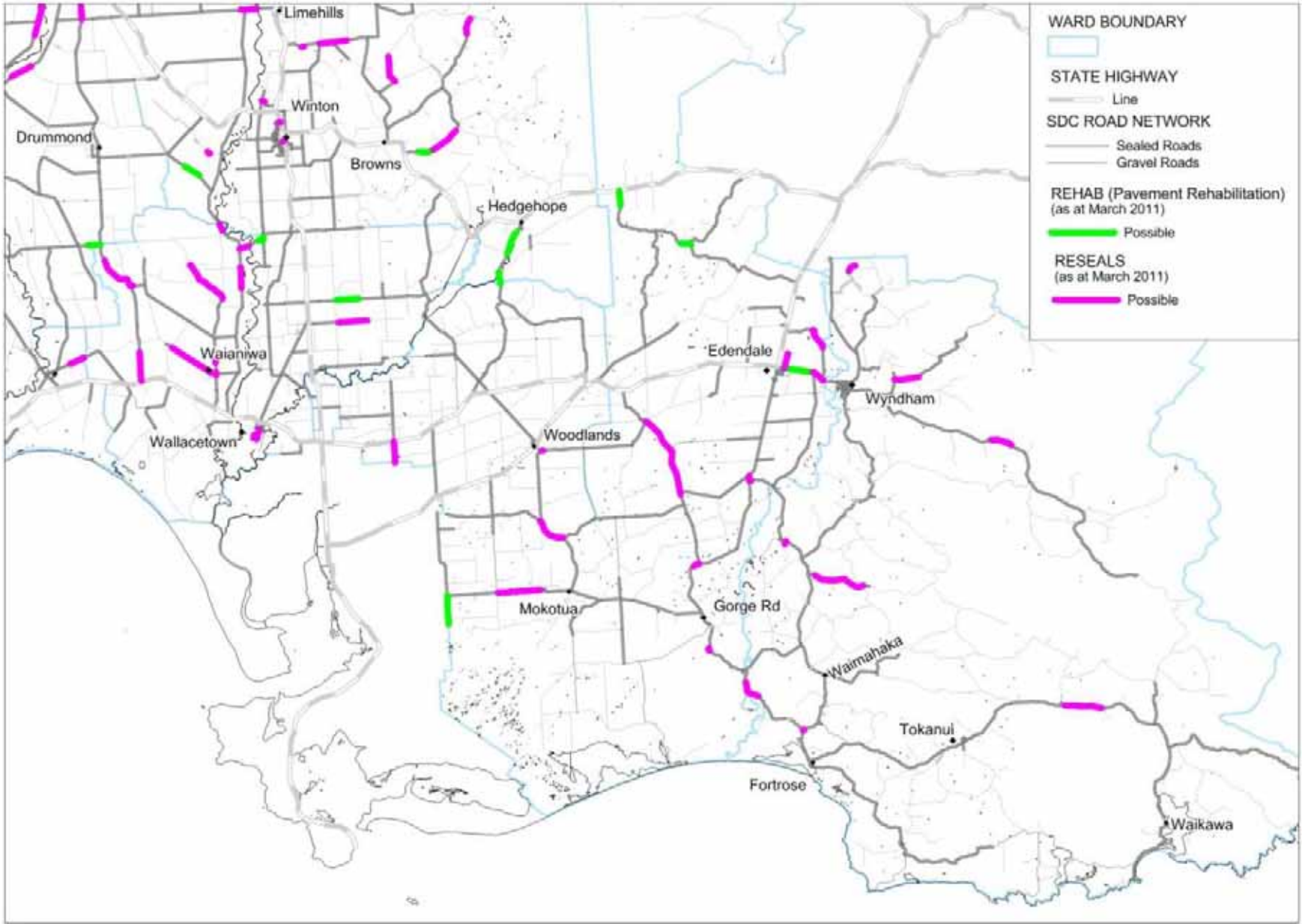
Map showing roading programme 2011/2012 - South/West Southland



Map showing roading programme 2011/2012 - North/East Southland



Map showing roading programme 2011/2012 - 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 promotion of alternative generation to reduce the reliance of fossil fuels and energy efficiency on the Island with a specific focus on healthier homes. 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. 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 and also give effect to the New Zealand Energy Strategy to 2050 - Powering Our Future.

## What are the key issues?

### *Increasing Diesel Prices*

The cost of generating electricity on the Island is increasing as diesel prices rise to very high levels. As a result, SIESA has increased the annual unit and distribution and development charges by 4% which may need to be reviewed again in the future.

### *Renewable Energy*

Council is still looking into renewable energy options and in the past year engaged the Massey University Centre for Energy Research to provide an assessment and advise this. Massey University's report will be considered at a workshop with the Community Board in the near future.

## 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	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
Affordability SIESA is able to operate in a cost-effective manner.	Ongoing reduction in financial deficit.	Decrease	Decrease	Financial Accounts
Responsiveness SIESA is responsive to customer's needs.	Percentage of complaints/requests responded to within agreed timeframes.	No complaints	90%	Monthly reports
Reliability All SIESA consumers connected are provided with reliable and continuous service.	Number of unplanned interruptions.	8	Less than 6	Monthly reports
	Percentage of service interruptions reinstated within eight hours.	88%	100%	Monthly reports

<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)				
<b>What Council will provide</b>		<b>How Council will measure the service provided</b>		
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
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>	3.2%	10%	Financial Accounts
<p>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 10 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.</p>				

Note the Council is aiming to improve its targets from 2009/2010 to 2011/2012 for a number of SIESA key performance indicators including the percentage of complaints/requests responded to within agreed timeframes and the number of unplanned interruptions.

### What are the projects and variances from the LTCCP?

#### Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Replacement Generator/Turbine - 710.A	-	\$260,000	Reserves	The replacement generator has been carried forward from 2010/2011. Generator requirements are being relooked at due to a decrease in electricity demand on the Island. These projects have been carried forward from 2010/2011 as it was unable to be completed at that time.
Surge arrestors - 708.1	-	\$5,000	Reserves	
Day Tank Replacement - SIESA713.A	-	\$40,000	Reserves	
Replace circuit breakers on 400V Main switchboard - SIESA714.A	-	\$76,590	Reserves	
Modifications to Generator 5 - SIESA715.A	-	\$20,000	Reserves	
Fit Blackstart relays to all large loads - SIESA716.A	-	\$7,500	Reserves	

### Cost of Service Statement Variations

Changes have been made to operating costs to reflect the current cost of operations, particularly fuel prices. Capital renewals have increased as a result of the new projects as outlined above.

### 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?

LTCCP 2010/2011	SIESA	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
1,221,204	Activity Revenue	1,251,552	1,174,578
11,984	Interest & Dividends	9,913	28,120
1,233,188	<b>Total Operating Revenue</b>	1,261,465	1,202,698
<b>Operating Expenditure</b>			
152,068	Depreciation	152,068	145,661
1,254,277	Other Operating Costs	1,245,803	1,143,673
1,406,345	<b>Less Total Operating Expenditure</b>	1,397,871	1,289,334
(173,157)	<b>Operating Surplus/(Deficit)</b>	(136,406)	(86,636)
(173,157)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(136,406)	(86,636)
<b>CAPITAL AND RESERVES</b>			
46,485	Renewals	5,284	409,090
46,485	<b>Total Capital Expenditure</b>	5,284	409,090
29,695	Transfers to Reserves	30,016	43,970
29,695	<b>Total Capital Movements</b>	30,016	43,970
173,157	Operating Deficit	136,406	86,636
249,337	<b>Total Funding Required</b>	171,706	539,696
<b>Funded By</b>			
249,337	Transfers from Reserves	171,706	539,696
-	Operating Surplus	-	-
249,337	<b>Total Funding Applied</b>	171,706	539,696

# 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 vehicles' 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, greenwaste and recycling services, eleven recycling drop-off centres with unrestricted access (including three at transfer stations) and two greenwaste sites. Residential waste is transported to the regional landfill operated by AB Lime at Kings Bend (near Winton) for disposal. The Council is also a member of WasteNet Southland (joint committee of the Invercargill City, Southland and Gore District Councils) which provides the mechanism for councils in the region to work together collectively on waste issues, including delivering solid waste services and waste minimisation.

## 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 in the Council's Ten Year Plan 2009-2019. 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?

### *New Waste Contract Starts for Wheelie Bins and Transfer Stations*

A new contract for waste management services with BCL (Bond Contracts Limited) started in May 2011 which covers the operation of transfer stations, greenwaste sites and recycling drop-off centres throughout the District as well as the new two bin kerbside waste and recycling service. As decided last year, the new kerbside service comprises of two 240 litre bins - a waste bin and a recycling bin - with each bin collected on alternate weeks. The charge for the new service has been standardised so that urban and rural properties using the service pay the same amount rather than differing amounts. Approximately 8,300 properties will be receiving the service which equates to a rate of approximately \$231 (excl GST) which is inside the indicative cost of \$236 (excl GST) that was highlighted in last year's Annual Plan. Details of the rates and the area serviced can be found on page 160.

Council's transfer stations and recycling drop-off centres opening hours, and fees will remain unchanged at this stage. One key change will be that in addition to being able to pay by tokens, Eftpos will be available at all transfer stations (excluding Stewart Island which has its own contract).

In this Plan, income from refuse fees is also projected to drop because material which previously would be disposed of as rubbish will now be able to be recycled. As such there is projected to be a reduction in the amount of rubbish passing through transfer stations and a reduction in revenue. The Te Anau contractor will also be using its own transport depot for handling recyclables rather than the Te Anau transfer station. This decrease in refuse fees (\$125,060) will require an increase in the Waste Management rate to meet the remaining fixed operational costs. In the Plan the Council has smoothed in the effect of the drop in income over 10 years resulting in a 7.56% increase, which means Council is effectively borrowing from reserves in the short term and repaying these back in the longer term. The other option that

the Council did consider was a one-off increase in the rate to offset the drop in income but this would have resulted in an increase in the Waste Management Rate of around 15.95%.

#### Resource Consents for Closed Landfills

In the future Environment Southland may require resource consents for closed landfills which will affect the Southland District Council as it administers approximately 60 closed landfills throughout the District. Council has been working with Environment Southland on this issue with the view that there should only be a focus on higher risk closed landfills for consenting requirements rather than all.

#### Waste Minimisation Officer

WasteNet Southland carried out a range of administrative and educational activities on behalf of the three territorial authorities. With the implementation of new recycling services across Invercargill City Council and Southland District there will be an ongoing drive to promote the service and minimise the volume of waste that gets sent to landfill. In addition the new contracts will require additional resources to implement and administer, for example educating the community on how to use the new service, what to recycle, and enforcement duties. Funding of the additional resource is proposed to be via the three member councils and would be calculated on a population percentage basis as education services would cover all residents in the region.

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

Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)				
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 09/10	Target 10/11	Source
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% <sup>4</sup> TS Lcn - 84% <sup>4</sup> TS Hrs - 84% <sup>4</sup> Rec Lcn - 80% <sup>4</sup>	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.	63% <sup>4</sup>	80%	Survey - Resident
	Percentage of waste recovered at transfer stations and recycling drop-off centres which is saved from landfill.	14.4%	15%	Quarterly Report
	Percentage of waste collected at kerbside that is diverted from landfill.	0%	20%	Quarterly Report
Quantity Provide guidance to the public about quality solid waste management practices.	Number of public education initiatives completed. <sup>2</sup>	13 school visits	10 school visits 1 Info brochure	Quarterly Report
Responsiveness Provide new or replacement wheelie bins in response to legitimate requests.	Percentage of wheelie bins provided within seven working days of a request being received. <sup>3</sup>	70%	90%	GEAC Pathway
1. "Services provided" means wheelie bins, transfer stations (locations and hours) and recycling centres (location). 2. "Public education initiatives" include at least one additional information brochure every two years and at least 10 school visits per year. 3. Request timeframes will only be met where all the appropriate information is provided to the Council. 4. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

The Council is increasing its target for the percentage of waste recovered at transfer stations from 8% in 2009/2010 to 15% in 2011/2012 and then down to 8% after that due to an anticipated change in habits once kerbside recycling is introduced. The target for the percentage of waste collected at kerbside that is diverted from landfill is increasing from 15% in 2010/2011 to 55% in 2012/2013 and onwards.

### What are the projects and variances from the LTCCP?

There are no projects planned or any major variances from the LTCCP.

### Cost of Service Statement Variations

Rates revenue and other operating costs have decreased as a result of the implementation of a two bin collection service, rather than a three bin service as included in the LTCCP. Financing costs have decreased, with a corresponding increase in operating costs as a result of changing some loan funding of projects from external to internal.

### 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?

LTCCP 2010/2011	Solid Waste Management	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
4,136,611	Rates	4,367,017	3,670,028
411,501	Activity Revenue	412,265	531,150
4,548,112	<b>Total Operating Revenue</b>	4,779,282	4,201,178
<b>Operating Expenditure</b>			
74,344	Depreciation	74,323	74,219
434,798	Finance Costs	462,480	-
4,481,398	Other Operating Costs	4,580,314	4,419,138
4,990,540	<b>Less Total Operating Expenditure</b>	5,117,117	4,493,357
(442,428)	<b>Operating Surplus/(Deficit)</b>	(337,835)	(292,179)
(442,428)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(337,835)	(292,179)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
156,388	Loans Repaid	176,012	231,387
-	Transfers to Reserves	-	28,465
156,388	<b>Total Capital Movements</b>	176,012	259,852
442,428	Operating Deficit	337,835	292,179
598,816	<b>Total Funding Required</b>	513,847	552,031
<b>Funded By</b>			
59,185	Non Cash Expenditure	58,675	58,675
539,631	Transfers from Reserves	455,172	493,356
-	Operating Surplus	-	-
598,816	<b>Total Funding Applied</b>	513,847	552,031

# Stormwater

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

## What we do

A total of 27 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 in a controlled 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 the 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?

### Stormwater Consents

Environment Southland's Regional Water Plan (which became fully operative in November 2008) requires Council to more actively manage stormwater discharges. As a result, Council has applied for resource consents for stormwater in many townships and these consents will require monitoring to determine the quality of the stormwater which is released into water ways. At this stage Environment Southland is still processing the resource consents and has requested that a one-off stormwater sample be provided so that consent limits can be set. Budgets for these consents have been carried forward from last year into this Annual Plan.

## What level of service will Council provide?

Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)				
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 09/10	Target 11/12	Source
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>	44	Less than 50	Pathways
Responsiveness Prompt response to complaints about flooding.	Percentage of complaints that meet response timeframes. <sup>2</sup>	13%	90%	Pathways
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.	Not Measured <sup>3</sup>	60%	Quarterly Report



<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)				
<b>What Council will provide</b>		<b>How Council will measure the service provided</b>		
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
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.	15%	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>				

Note the Council is aiming to improve its targets for the percentage of monitoring results that show compliance with resource consent conditions from 40% in 2009/2010 to 90% for 2012/2013 onwards.

### What are the projects and variances from the LTCCP?

#### Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Balfour - Condition Assessment - pls2.A	\$6,076	\$6,076	Rates	-
Stewart Island - Reticulation Renewal - 551B	-	\$62,100	Rates	This project was added into the programme during last year's Annual Plan process because an issue was identified with stormwater pipe sizes in the Main Road area.
Te Anau - Condition Assessment - pls65A	-	\$10,840	Rates	This project has been carried forward to 2011/2012 as it was unable to be completed last year.
Te Anau - Replace Stormwater Sump Leads - pls81A	-	\$5,000	Rates	A new project has been added to replace sump leads. There are a number of old sumps where the tops are collapsing and grills broken. Also some sump leads have been poorly constructed leading to blockages. Areas that will be focused on include Te Anau Terrace, Mokonui Street and Quintin Drive.
Te Anau - Reticulation Renewal Town Centre - pls65.B	-	\$133,860	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Winton - Reticulation Renewal - pls99.A	\$121,527	\$121,527	Rates	-
Wyndham - Condition Assessment - pls114.A	\$36,458	\$36,458	Rates	-

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Te Anau - Improve Discharge Quality -	\$238,405	-	Development	This project has been deleted as there has been no development contributions

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
pls67.A			contributions	collected for stormwater to date. However discharge quality will still be improved through rates funding in project pls67B below.

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Balfour - Resource consent - pls1.A	-	\$9,816	Rates	The resource consent application has been in progress since 2009/2010 and the remaining funds for the project have been carried forward into the 2011/12 financial year. Environment Southland is still processing the resource consent and has requested that a one-off stormwater sample be provided so that consent limits can be set.  As above.
Browns - Resource consent - pls115.A	-	\$2,392	Rates	
Dipton - Resource consent - pls5A.A	-	\$3,000	Rates	
Edendale - Resource consent - pls7.A	-	\$10,000	Rates	
Lumsden - Resource consent - pls10.A	-	\$5,500	Rates	
Manapouri - Resource consent - pls17.A	-	\$13,404	Rates	
Mossburn - Resource consent - pls24.A	-	\$9,815	Rates	
Nightcaps - Resource consent - pls29.A	-	\$9,816	Rates	
Ohai - Resource consent - pls34.A	-	\$9,816	Reserves	
Riversdale - Resource consent - pls46.A	-	\$9,816	Rates	
Te Anau - Resource consent - pls62.A	-	\$21,076	Rates	
Tokanui - Resource consent - pls84.A	-	\$2,392	Rates	
Tuatapere - Resource consent - pls85.A	-	\$13,403	Reserves	
Waikaia - Resource consent - pls88.A	-	\$10,000	Rates	
Wallace (Otautau) - Resource consent - pls37.A	-	\$5,656	Rates	
Wallacetown - Resource Consent - pls94.A	-	\$5,656	Rates	
Winton - Resource Consent - pls96.A	-	\$9,239	Rates	
Riversdale - New soak holes - pls47.A	-	\$3,450	Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Te Anau - Strategic Assessment - pls64.A	-	\$64,626	Rates	This project has been ongoing since 2009/2010 and is expected to continue into the 2011/12 year.
Te Anau - Improve Discharge Quality - pls67.B	\$238,405	\$238,405	Rates	-
Te Anau - Stormwater Connection Identification - pls83.A	-	\$30,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Te Anau - Flooding Relief SH94 Crossing - pls63.A	-	\$73,172	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Wallace (Otautau) - Reticulation Upgrade - pls40A	-	\$35,450	Rates	Phase 1 at Clitheroe Street has been carried forward from 2010/11 to 2011/2012 as awaiting outcome of ditch maintenance.
Wallace (Otautau) - Reticulation Upgrade - pls40B	-	\$62,445	Rates	As above.
Winton - Essex Street Stormwater Improvements - pls200.A	-	\$10,671	Rates	This is a new project which has been added because specific improvements are needed in this area, namely dish channel to mitigate surface runoff.

### Cost of Service Statement Variations

Level of service and renewal projects have increased due to a number of new minor projects as outlined above.

### 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?

LTCCP 2010/2011	Stormwater	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
480,206	Rates	755,673	1,124,891
-	Development & Financial Cont	238,405	-
-	Grants and Donations	-	256,155
480,206	<b>Total Operating Revenue</b>	994,078	1,381,046
<b>Operating Expenditure</b>			
527,772	Depreciation	548,888	548,888
330,728	Other Operating Costs	336,262	325,617
858,500	<b>Less Total Operating Expenditure</b>	885,150	874,505
(378,294)	<b>Operating Surplus/(Deficit)</b>	108,928	506,541
(378,294)	Operating Surplus/Deficit transferred to/(funded from) Reserves	108,928	506,541
<b>CAPITAL AND RESERVES</b>			
-	Acquisition-Demand	238,405	-
62,445	Acquisition-Level of Service	238,405	669,016
-	Vested Assets	-	256,155
103,300	Renewals	164,061	375,861
165,745	<b>Total Capital Expenditure</b>	640,871	1,301,032
30,284	Loans Repaid	13,521	20,331
3,500	Transfers to Reserves	3,500	3,500
33,784	<b>Total Capital Movements</b>	17,021	23,831
378,294	Operating Deficit	-	-
577,823	<b>Total Funding Required</b>	657,892	1,324,863
<b>Funded By</b>			
527,772	Non Cash Expenditure	548,888	548,888
50,051	Transfers from Reserves	76	269,434
-	Operating Surplus	108,928	506,541
577,823	<b>Total Funding Applied</b>	657,892	1,324,863

# 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 the Local Government Act 2002 and Local Government Official Information and Meetings Act 1987.

## What are the key issues?

### *Preparation of the next Ten Year Plan*


Over the coming year Council will begin preparing its Ten Year Plan for 2012-2022. This will involve reviewing Asset Management Plans for each activity and a number of policies such as the revenue and financing policy (which describes how different activities will be funded).

### *Stewart Island Visitor Levy*

The Council in conjunction with Eric Roy, MP for Invercargill is developing the Southland District Council (Stewart Island Visitor Levy) Empowering Bill to enable a visitor levy for Stewart Island. A visitor levy is proposed to help pay for infrastructure, services and amenities that are used by visitors. Due to an increasing number of visitors coming to the Island, including from cruise ships, significant pressure has been put on the Island's infrastructure and a visitor levy is seen as a fair and efficient way of ensuring the cost of visitors is not unfairly borne by residents and ratepayers alone.

The Southland District Council (Stewart Island Visitor Levy) Empowering Bill 2010 had its first reading in Parliament in June 2010 and then went out for public submission. There were 21 submissions made on the Bill with 17 submitters expressing support and four submitters expressing general opposition. The Local Government and Environment Select Committee is considering the submissions and possible technical changes to the Bill as a result of those submissions and will report back to Parliament.

### What level of service will Council provide?

<b>Primary outcome: Strong, effective leadership taking us into the future (5)</b> 				
Intermediate outcome: Citizens and communities are inspired, motivated and empowered (5.1)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
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% <sup>2</sup>	85%	Survey - Resident
	Percentage of residents who have read at least one issue of the Council's newsletter First Edition.	88% <sup>2</sup>	85%	Survey - Resident
	Number of publications of Council's newsletter First Edition produced annually.	4	4	Quarterly Report
	Percentage of media releases published. <sup>1</sup>	86%	90%	Quarterly Report
Quantity Ensure that community volunteers are recognised.	Number of community service awards.	1	2	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.	79% <sup>2</sup>	80%	Survey - Resident <sup>1</sup>
	Percentage of residents satisfied with the level of consultation with the community, undertaken by Council, over important issues.	80% <sup>2</sup>	80%	Survey - Resident
Quality Council encourages input into its planning.	Percentage of residents satisfied with Council (decision-making, planning and leadership).	86% <sup>2</sup>	85%	Survey - Resident
	Percentage of submitters to the Ten Year Plan or Annual Plan satisfied with the content and readability of the Plan.	86%	80%	Survey - User
Quality Council planning looks long term and considers future generations.	Ten Year Plan is prepared in accordance with the Local Government Act.	Achieved	N/A	Audit Opinion
1. The number of press releases produced annually varies depending on the issues. 2. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no projects planned or any major variances from the LTCCP.

### Cost of Service Statement variances

There are no major variances from the LTCCP.

### 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?

LTCCP 2010/2011	Strategy and Communication	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
1,181,606	Rates	1,182,365	1,267,444
-	Activity Revenue	-	2,066
1,181,606	<b>Total Operating Revenue</b>	1,182,365	1,269,510
<b>Operating Expenditure</b>			
236	Depreciation	48	48
1,206,682	Other Operating Costs	1,242,899	1,358,126
1,206,918	<b>Less Total Operating Expenditure</b>	1,242,947	1,358,174
(25,312)	<b>Operating Surplus/(Deficit)</b>	(60,582)	(88,664)
(25,312)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(60,582)	(88,664)
<b>CAPITAL AND RESERVES</b>			
-	Renewals	-	4,000
-	<b>Total Capital Expenditure</b>	-	4,000
7,926	Transfers to Reserves	-	20,000
7,926	<b>Total Capital Movements</b>	-	20,000
25,312	Operating Deficit	60,582	88,664
33,238	<b>Total Funding Required</b>	60,582	112,664
<b>Funded By</b>			
236	Non Cash Expenditure	48	48
33,002	Transfers from Reserves	60,534	112,616
-	Operating Surplus	-	-
33,238	<b>Total Funding Applied</b>	60,582	112,664

# 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 Te Anau Airport Manapouri rate will remain unchanged for the coming year. The old airport site at Waiau has not yet been sold as economic conditions have not been favourable for a sale however, a decision was made in 2010/2011 to lease the Waiau Airport site and the revenue is being used to help fund operational costs and the short term loan for the new airport. This income is helping to offset rates with the increase in GST.

Over the past year there has been an increase in the number of aircraft using the airport and a large amount of work is being done to increase this more with an airport designation change approved to allow for jet aircraft over 5,700 kg to land there. Council will also continue focusing on marketing the airport to increase use over the coming year.

## 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	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator			
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.	100%	100%	Audit - Civil Aviation Authority
	Number of airports servicing the Te Anau Basin.	1	1	Council Property Records

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Airports - Pavement Repairs - 624.a	\$45,652	\$45,652	Rates	-

### Cost of Service Statement Variations

Due to the old airport at Waiau not yet being sold and current market conditions, the Te Anau Community Board has resolved to maintain the 2010/2011 rating level to cover current operational costs.

### 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.

### What does it cost?

LTCCP 2010/2011	Te Anau Airports	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
141,841	Rates	141,838	404,337
150,142	Activity Revenue	198,982	119,667
291,983	<b>Total Operating Revenue</b>	340,820	524,004
<b>Operating Expenditure</b>			
518,641	Depreciation	518,641	518,641
150,144	Other Operating Costs	198,981	231,904
668,785	<b>Less Total Operating Expenditure</b>	717,622	750,545
(376,802)	<b>Operating Surplus/(Deficit)</b>	(376,802)	(226,541)
(376,802)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(376,802)	(226,541)
<b>CAPITAL AND RESERVES</b>			
-	<b>Total Capital Expenditure</b>	-	-
141,839	Transfers to Reserves	141,839	291,946
141,839	<b>Total Capital Movements</b>	141,839	291,946
376,802	Operating Deficit	376,802	226,541
518,641	<b>Total Funding Required</b>	518,641	518,487
<b>Funded By</b>			
518,641	Non Cash Expenditure	518,641	518,641
-	Transfers from reserves	-	(154)
-	Operating Surplus	-	-
518,641	<b>Total Funding Applied</b>	518,641	518,487

# 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 sewage from residential properties, business properties and public sanitary facilities. The wastewater systems consist of pipes, pump stations and treatment and disposal processes. Seventeen towns within the District are reticulated with Council owned and maintained infrastructure. There is also 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 a 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 the Local Government Act 2002, the Health Act 1956 and the Resource Management Act 2001. The activity must comply with Environment Southland's Regional Policy Statement and Regional Effluent Land Application Plan for Southland.

## What are the key issues?

### *Water and Wastewater Operations and Maintenance Contract*

As part of last year's Annual Plan, Council decided to change the way that the Water and Wastewater Operations and Maintenance Contract cost is shared out amongst schemes over two years. 2011/2012 will see the final stage of the change phased in. The cost of the contract will now be fully allocated according to the number of units across the District with every unit paying the same amount. This varies from prior years where schemes paid different amounts based on historical costs for each scheme.

### *No Ministry of Health Funding for Browns Sewerage Scheme*

Council was looking at options to extend the Browns Sewerage Scheme which has struggled to comply with resource conditions for several years however it has also been unable to secure funding. At this stage Council plans to undertake a treatment upgrade at the Browns Scheme and will monitor the results to see whether the larger project is still needed in the future.

### *Te Anau Treatment and Disposal Project*

The treated wastewater discharge consent to the Upukeora River / Lake Te Anau expires in 2014. A short term consent was renewed in 2004 on the basis that Council would upgrade the wastewater treatment plant with the expectation that the discharge would be removed from the lake and disposal would be to land going forward. Environment Southland has classified the lake a 'Natural State' waters meaning that any discharge to the lake must be of the highest environmental quality. As a result a project has been developed which involves pumping the treated wastewater effluent to a land disposal field between Te Anau and Manapouri. The scheme was also designed to cope with expected growth within the township and construction will be staged to cope with this growth which has seen a dramatic slow down in the current economic climate. Due to affordability issues, discussions with the key stakeholder group have been held to extend the date of the consent allowing discharge to the river for a longer period, with some upgrade work to the plant to allow the extension of time. To discharge to the river/lake in the future would require construction of a sophisticated multi stage treatment plant at considerable capital and operating costs.

### 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)



What Council will provide		How Council will measure the service provided		
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
Reliability Provide a reliable wastewater service.	Percentage of customers satisfied with the service.	93% <sup>3</sup>	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>	84%	100%	Quarterly Report
Responsiveness Prompt response to complaints.	Percentage of complaints responded to within required timeframes. <sup>2</sup>	80%	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.	37	Less than 20	Hansen IMS
	Percentage of scheme improvement projects completed in order to maintain safe and adequate collection and disposal of wastewater.	35%	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> <p>3. A Residents' survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.</p>				

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Balfour - Reticulation Renewal - plw4.A	\$18,338	\$18,338	Reserves	-
Manapouri - Electrical Upgrade - plw46.A, plw46.B	\$66,706	\$66,706	Rates	-
Manapouri - Reticulation Renewal - plw44.A	-	\$10,300	Rates	Project carried forward from 2010/2011 to 2011/12 as it has not been started yet.
Manapouri - Condition Assessment - plw44C	-	\$15,399	Rates	Project carried forward from 2010/2011 to 2011/12 as it has not been started yet.
Ohai - Renew/reconfigure wetwell at PS1 - plw88.A	\$24,353	\$24,353	Reserves	-
Ohai - Reticulation Renewals - plw84.A	-	\$10,300	Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Ohai - Treatment renewals - plw93.A	-	\$30,827	Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Riverton - Electrical Upgrade - plw132.B	\$219,180	\$219,180	Rates	-
Riverton - Electrical Upgrade - plw132.A	\$146,120	\$146,120	Rates and Reserves	-
Te Anau - Electrical Upgrade - plw170.A,	-	\$230,000	Rates	This project has been carried forward from 2010/2011 following on from a staff

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
plw170.B				submission to the Draft Annual Plan.
Te Anau - Reticulation Renewal - plw172.A	\$10,588	\$10,588	Rates	-
Wallace (Otautau) - Reticulation Renewal - plw98.A	\$25,571	-	Rates	Project shifted from 2011/12 to 2012/13 due to staff availability to undertake the work.
Winton - Condition Assessment - plw229.A	-	\$11,845	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Winton - Electrical Upgrade - plw231.A	\$146,120	\$146,120	Rates	-
Winton - Treatment Upgrade - plw232.A	\$13,735	\$13,735	Rates	-
Winton - Equipment Upgrade - plw230A	-	\$41,576	Rates	Aerator Project moved from 2010/2011 to align with Wastewater Treatment Plant improvements in 2011/12.

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Te Anau - Te Anau/Manapouri Treatment & Disposal Project - plw204.B	\$72,968	\$72,968	Development Contributions	-

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Balfour - Resource consent Project - plw5.A	\$12,177	-	Reserves	This project involves writing a report on the sewerage scheme's performance every five years. The last report was written in 2009/2010 therefore the next report is not due until 2014/2015.
Browns - Treatment Upgrade - plw14.A	-	\$80,000	Contributions & Loan	This project aims to improve the existing wastewater treatment system to meet resource consent conditions. It was originally budgeted to cost \$184,280 in 2010/2011 however this has been revised to around \$110,000 with \$30,000 of work to be completed in 2010/2011 and \$80,000 to be spent in 2011/2012. This project is to be funded by 50% from the ward, 16.67% internal loan and 33.33% from SDC. The project to extend the scheme has been deleted at this stage as no funding from MoH was available to do this however Council will monitor the results of the treatment upgrade works to see whether the project is still needed in the future.
Ohai - Compile Scheme Management Plan - plw85.A	-	\$2,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Ohai - Infiltration Investigations - plw99.A	-	\$35,535	Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Riversdale - Scheme Capacity Upgrade - plw122.A	\$151,822	-	Loan	Project deferred to 2012/2013 with further infiltration investigations being undertaken before the upgrade.
Riverton - Compile Scheme Management Plan - plw129.A	-	\$5,923	Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Riversdale - Sludge Removal - plw121.A	\$142,467	\$142,467	Loan	-

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Stewart Island - Odour Control - plw153.A	\$6,088	\$6,088	Reserves	-
Stewart Island - Scheme Capacity Upgrade - plw150.A	-	\$150,000		This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Te Anau - Scheme Operation and Management Plan - plw173.A	\$6,088	-	Rates	Project has been deferred to 2016/2017 to occur after the Treatment and Disposal Project is complete.
Te Anau - Te Anau/Manapouri Treatment & Disposal Project - plw204.A	\$55,046	\$55,046	Rates	-
Tokanui - Compile Scheme Management Plan and investigate land disposal options - plw219.B	-	\$15,250	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Tokonui - Treatment Upgrade - plw219.A	-	\$10,466	Rates and Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Wallace (Otautau) - Scheme Management Plan - plw102.A	\$3,653	-	Rates	Project deferred to 2012/13 due to staff availability to undertake the work.
Winton - Infiltration Investigations - plw90.A	-	\$46,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Winton - Electrical Upgrade - plw232.C	\$24,353	\$24,353	Loan	-
Winton - Scheme Capacity Upgrade - plw231.B	\$91,325	\$91,325	Loan	-
Winton - Treatment Upgrade - plw232.B, plw232.D	\$2,178,563	\$2,178,563	Loan	-

### Cost of Service Statement Variations

Operating costs have increased as a result of the full implementation of the new operations and maintenance contract in the 2011/2012 year, as well as the effect of changing some loan funding of projects to internal from external. Accordingly, financing costs have decreased as a result of this reclassification.

### 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 of 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?

LTCCP 2010/2011	Wastewater	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
2,677,705	Rates	2,759,846	3,238,029
68,691	Development & Financial Cont	72,968	72,968
-	Grants and Donations	-	376,340
2,746,396	<b>Total Operating Revenue</b>	2,832,814	3,687,337
<b>Operating Expenditure</b>			
1,366,748	Depreciation	1,437,038	1,437,038
428,874	Finance Costs	412,442	-
1,339,265	Other Operating Costs	1,367,023	2,133,388
3,134,887	<b>Less Total Operating Expenditure</b>	3,216,503	3,570,426
(388,491)	<b>Operating Surplus/(Deficit)</b>	(383,689)	116,911
(388,491)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(383,689)	116,911
<b>CAPITAL AND RESERVES</b>			
68,691	Acquisition-Demand	72,968	72,968
170,012	Acquisition-Level of Service	2,671,583	2,843,016
-	Vested Assets	-	376,340
363,813	Renewals	670,712	995,387
602,516	<b>Total Capital Expenditure</b>	3,415,263	4,287,711
418,705	Loans Repaid	370,712	484,654
148,384	Transfers to Reserves	346,596	371,277
567,089	<b>Total Capital Movements</b>	717,308	855,931
388,491	Operating Deficit	383,689	-
1,558,096	<b>Total Funding Required</b>	4,516,260	5,143,642
<b>Funded By</b>			
-	Loans Raised	2,588,531	2,476,708
1,366,748	Non Cash Expenditure	1,437,038	1,437,038
191,348	Transfers from Reserves	490,691	1,112,985
-	Operating Surplus	-	116,911
1,558,096	<b>Total Funding Applied</b>	4,516,260	5,143,642

# 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 (11 urban and 2 rural) some of which share treatment facilities. 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 the 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.

## What are the key issues?

### *Water and Wastewater Operations and Maintenance Contract –*

As part of last year's Annual Plan Council decided to change the way that the Water and Wastewater Operations and Maintenance Contract cost is shared out amongst schemes over two years. 2011/2012 will see the final stage of the change phased in. The cost of the contract will now be fully allocated according to the number of units across the District with every unit paying the same amount. This varies from prior years where schemes paid different amounts based on historical costs for each scheme.

### *Ministry of Health Subsidy Criteria Change –*

In September 2009, the Minister of Health put the drinking-water subsidies programme on hold in order to conduct a review of the eligibility criteria. Central Government was looking to confirm that the drinking-water subsidies were operating under the best possible process to ensure that the communities with the greatest need were accessing the available Government funding. The Minister was concerned that the first-come, first-served format of the previous programme structure meant that most funding was only available in the initial stages of the programme and some communities in need of subsidies might be missing out.

The review of the criteria has been completed reflecting the advice received from local government, health officials and other interested parties. Essentially the eligibility criteria remain largely unchanged but will be restricted to those communities with a deprivation index or score (DI) of 7 and above (based on geographical meshblock areas). Council is now working through the revised criteria to determine the scale of the impact on our community water supplies.

### *No Ministry of Health Funding for Waikaia and Riversdale Schemes –*

In the Council's Ten Year Plan there were two new water schemes planned in Waikaia and Riversdale. These projects have now been cancelled as Council has been unable to obtain any funding from the Ministry of Health for the work and it is no longer affordable for the community without this subsidy.

### *Tuatapere Water Upgrades –*

The water supply at Tuatapere is being upgraded to meet Ministry of Health Drinking Water Standards, along with river bank protection at the treatment plant and replacement of the switchboard and monitoring equipment. These projects however have been deferred to 2012/2013 due the scheme no being eligible for Ministry of Health funding under the new subsidy criteria (see above). Council is currently in discussions about alternative funding with Meridian.

### Change to Fire Hydrants Key Performance Indicator –

Council is proposing to change the key performance indicator 'Percentage of urban fire hydrant test that meet SNZ PAS 4509:2003,' to 'Percentage of successful urban fire hydrant tests,' with successful defined as hydrants having water available when valves are exercised. In the past the Fire Service undertook these tests however the results have not been readily available to Council. To ensure Council can monitor the performance of fire hydrants in a timely manner the information will now come from the new Water and Wastewater Contractors, Downers, who will undertake tests to make sure they are operational and can safely provide water for fire emergencies.

### 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)				
What Council will provide	How Council will measure the service provided	Actual 09/10	Target 11/12	Source
Level of Service	Key Performance Indicator	Actual 09/10	Target 11/12	Source
Quality Provide urban water supplies that are safe and promote public health.	Percentage of urban water supply tests that meet the requirements of the New Zealand Drinking-water Standards 2005.	98%	100%	WINZ <sup>1</sup>
	Percentage of urban water supplies that are capable of meeting the New Zealand Drinking-water Standards 2005.	0%	80%	WINZ <sup>2</sup>
Quality Drinking-water quality is acceptable to users.	Percentage of customers satisfied with the quality of urban water supplies.	72% <sup>6</sup>	90%	Survey - Resident
	Number of complaints about drinking-water quality across all schemes.	3	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.	144	Less than 130	Hansen IMS <sup>3</sup>
Quantity Provide a water supply adequate for fire fighting in urban areas.	Percentage of successful urban fire hydrant tests. <sup>7</sup>	Not measured	90%	Hansen IMS <sup>4</sup>
Reliability Provide a reliable water supply.	Percentage of resident satisfaction with the reliability of water supply.	95% <sup>6</sup>	90%	Survey - Resident
	Total number of non-notified shutdowns across all urban schemes.	18	20	Hansen IMS <sup>3</sup>
Responsiveness Prompt response to complaints.	Percentage of complaints responded to within required timeframes.	84%	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 New Zealand 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 two rural schemes). The figure is a total across all schemes and uses a target of no more than five 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 New Zealand Fire Service and at this time there is 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> <p>6. A Residents' Survey was not undertaken in 2009/2010 therefore the result shown is from 2008/2009.</p> <p>7. "Successful" is defined as hydrants being in an operational state with water available when valves are exercised.</p>				

The Council is improving its targets from 2009/2010 to 2012/2013 for a number of key performance indicators including the percentage of urban water supplies that are capable of meeting the New Zealand Drinking-water Standards 2005, the percentage of urban fire hydrant tests that meet SNZ PAS 4509:2003 and the percentage of complaints responded to within required timeframes.

## What are the projects and variances from the LTCCP?

### Maintenance, Renewal and Replacement Projects

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Eastern Bush - Reticulation Renewal - pl137.A	\$307,614	\$307,614	Rates and Loan	-
Manapouri - Condition Assessment - pl216.A	\$4,871	\$4,871	Loan	-
Manapouri - Storage Improvements - pl104.B	\$58,236	-	Loan	Deferred to 2018/2019 as preliminary inspection found storage tanks to be in generally good condition.
Manapouri - Electrical Upgrade - pl105A	\$55,620	-	Reserves	The electrical upgrade was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has been deferred further to 2013/2014 to align with the water treatment plant upgrade (project pl104c below).
Manapouri - Pump replacement - pl215.A	-	\$50,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Matuku - Electrical Upgrade - pl114.A	-	\$19,500	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Mossburn - Reticulation Renewal - pl122.A	\$17,656	\$17,656	Reserves	-
Ohai/Nightcaps/Wairio Water - Reticulation Renewal - pl131.A	\$52,942	\$52,942	Reserves	-
Ohai/Nightcaps/Wairio Water - Reticulation Renewal Programme - pl136.A	\$5,294	\$5,294	Reserves	-
Te Anau - Pump Replacement - pl190.A	\$12,177	-	Rates	The pump replacement has been deferred two years (to 2013/2014) due to pump being refurbished in 2009.
Te Anau Rural Water Supply - Electricity Upgrade - pl62.C	\$5,464	\$5,464	Rates	-
Te Anau Rural Water Supply - Storage Improvements - pl62.B	\$48,707	\$48,707	Rates	-
Te Anau Rural Water Supply - Electrical Upgrade (Princhester) - pl155.A	-	\$92,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Te Anau Rural Water Supply - Electrical Upgrade (Ramparts) - pl159.A	-	\$92,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Te Anau Rural Water Supply - Electrical Upgrade (Takitimu) - pl19.A	-	\$19,500	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Tuatapere - Reticulation Renewal - pl203.A	\$217,658	-	Mix1	Deferred to 2012/2013 pending review of Public Health Risk Management Plan.
Tuatapere - Electrical Upgrade - pl205.A	\$12,360	-	Mix1	This project was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has now been deferred following review of MoH subsidy guidelines.
Tuatapere - Storage Improvements - pl205.B	\$155,736	-	Mix1	This project was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has now been deferred following review of MoH subsidy guidelines. The budget has also been increased to \$170,000.
Wallace (Otautau) - Condition Assessment - pl146.A	\$5,559	\$5,559	Rates	-

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Wallace (Otautau) - Reticulation Renewal - pl150.A	\$132,117	-	Loan	This project was originally planned for 11/12 however it has been brought forward to be done in 2010/11 with the Main Street Water Main Project.
Wallace (Otautau) - Treatment Upgrade - pl27A, pl27B, pl27C	\$117,008	-	Mix2	This project is to renew the aerator, SCADA and contact tanks and was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan. The budget has now been increased to \$149,400 and deferred further to 2012/2013 due to MoH subsidy being on hold for two years. This project may now not be eligible to receive MoH funding under the new criteria.
Winton - Treatment Upgrade - pl210.A	\$166,860	-	Mix4	This project was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has been deferred further to 2012/2013 pending review of the Public Health Risk Management Plan.
Winton - Water Tower Maintenance Project - pl230.A	-	\$50,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Winton - Reticulation Renewal - pl221.A	\$1,567,502	-	Loan	Timing of the rising main replacement project has been reviewed to 2012/2013 due to staff availability to manage the work.
Winton - Electrical Upgrade - pl233.A	-	\$177,675	Loan	Timing of project changed to work in with new well project that is to be completed in 2010/11.

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Lumsden/Balfour Rural Water - Capacity Project - pl08.A, pl09.A, pl10.A	\$105,884	-	Development Contributions	Project no longer required as not enough capacity to increase.
Riverton - Scheme Improvements - Demand Portion - pl164.B	-	\$77,305	Development Contributions	This project has been carried forward from 2010/2011. It will fund the increase in size of the water scheme rising main and will be undertaken in conjunction with the levels of service project below.
Te Anau - Storage Improvements - pl212.A	\$24,353	-	Development Contributions	Project has been deferred to 2015/2016 due to low growth occurring in Te Anau.

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

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Lumsden - Public Health Risk Management Plan - pl22.A	\$1,059	\$1,059	Rates	-
Lumsden/Balfour Rural Water - Public Health Risk Management Plan - pl22.B	\$3,177	\$3,177	Rates	-
Manapouri - Construct Hydraulic Model - pl14.A	\$10,588	\$10,588	Loan	-
Manapouri - Equipment Upgrade - pl225.A	-	\$11,500	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Manapouri - Public Health Risk Management Plan - pl106.A	-	\$10,300	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Manapouri - Intake Upgrade - pl104.A	\$127,061	-	Loan	Timing of project has been changed to 2015/2016 pending review of Public Health Risk Management Plan.
Manapouri - Treatment Upgrade - pl104.C	\$121,767	-	Loan	Deferred to 2013/2014 pending review of Public Health Risk Management Plan.

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
Mossburn - Public Health Risk Management Plan - pl116.A	-	\$10,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Mossburn - Treatment Upgrade - pl117.A	\$213,092	-	Mix2	Deferred to 2012/2013 pending review of Public Health Risk Management Plan.
Mossburn - Intake Upgrade - pl125.A	\$73,060	-	Mix1	This project is deleted as it is expected to no longer be required once upgrades are completed to meet Drinking Water Standards.
Ohai/Nightcaps/Wairio Water - Public Health Risk Management Plan - pl135.A	\$5,294	-	Reserves	Will take place in 2012/2013 once water plant is upgraded to meet Drinking Water Standards.
Ohai/Nightcaps/Wairio Water - Treatment Upgrade - pl128B	-	\$819,000	Mix1	This project has been carried forward from 2010/2011 due to awaiting the outcome of MoH subsidy review and completing the initial design work. It forms part of the overall \$2.2 million project which began in 2009/2010 to upgrade the Ohai/Nightcaps/Wairio Water Supply to meet Drinking Water Standards.
Ohai/Nightcaps/Wairio Water - Intake Upgrade - pl143.A	-	\$301,450	Mix1	This project has been carried forward from 2010/2011 due to awaiting the outcome of MoH subsidy review and completing the initial design work. It forms part of the overall \$2.2 million project which began in 2009/2010 to upgrade the Ohai/Nightcaps/Wairio Water Supply to meet Drinking Water Standards.
Ohai/Nightcaps/Wairio Water - Resource Consent Project - pl129.A	-	\$20,500	Mix1	This project has been carried forward from 2010/2011 due to awaiting the outcome of MoH subsidy review and completing the initial design work.
Riversdale - New Scheme - pl04.A	\$133,943	-	Mix4	The new water scheme has been deleted as Council was unable to secure funding from the Ministry of Health.
Riversdale - New Scheme - pl04.B	\$1,132,112	-	Mix3	The new water scheme has been deleted as Council was unable to secure funding from the Ministry of Health.
Riverton - Treatment Upgrade - pl108A	-	410,187	Rates	Project has been carried forward to 2011/2012.
Riverton - Scheme Improvements - pl164A	-	\$1,144,923	Mix	This project will begin in 2010/2011 with the remaining budget carried forward to 2011/2012.
Riverton - Public Health Risk Management Plan - pl241.A	\$5,294	-	Reserves	Deferred to 2013/2014 to occur after treatment upgrade projects are completed.
Te Anau - Equipment Upgrade - pl29.A	-	\$11,500	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Te Anau - Treatment Upgrades - pl29B	\$260,590	-	Rates	The water scheme treatment upgrade was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has been deferred further to 2012/2013 due to MoH Subsidy Scheme being on hold for two years. The budget for the project has also been increased to \$400,000 based on recently received tender costs.
Te Anau - Public Health Risk Management Plan - pl24.A	-	\$5,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Te Anau - Te Anau Water Strategy - pl24.B	-	\$10,000	Rates	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Tuatapere - Treatment Plant - River Protection Works - pl239.A	\$123,600	-	Mix1	The water scheme treatment upgrade was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has been deferred further to 2012/2013 due to MoH Subsidy Scheme being on hold. The budget has also been increased to \$140,000.
Tuatapere - Treatment Upgrades -pl196.A	\$355,350	-	Mix1	The treatment upgrades were deferred from 2010/2011 to 2011/2012 in last year's Annual Plan and has been deferred further to 2012/2013 due to MoH subsidy funding being on hold for two years.

Project Description	LTCCP 2011/2012	Annual Plan 2011/2012	Funding	Explanation of Variance
				The project budget has also been increased to \$420,000 following recent tender costs received. There is a risk that this scheme will not be eligible for fund under revised criteria.
Tuatapere - Public Health Risk Management Plan - pl214.A	\$5,294	-	Rates	Deferred to 2013/2014 to occur after treatment upgrade projects are completed.
Tuatapere - Rising Main Project - pl238.A	-	\$10,000	Reserves	This project has been carried forward from 2010/2011 following on from a staff submission to the Draft Annual Plan.
Waikaia - New Scheme - pl111.A, pl111.B	\$1,107,182	-	Mix3	Project deleted due to MoH changing eligibility criteria of Water Subsidy Scheme. This project was dependant on receiving MoH funds to ensure affordability.
Wallace (Otautau) - Treatment Upgrade - pl27.E	-	\$50,000	Loan	This budget is for project design and applying for MoH funding. It was originally planned for 10/11 however has been carried forward to 11/12 due to awaiting the outcome of at Ministry of Health subsidy review.
Wallace (Otautau) - Treatment Upgrade - pl27D	\$88,838	-	Mix2	This project was deferred from 2010/2011 to 2011/2012 in last year's Annual Plan. The budget has now been increased to \$156,000 and has been deferred further to 2012/2013 subject to review of Public Health Risk Management Plan and revised MoH subsidy criteria.
Wallace (Otautau) - New Well - pl27G	-	-	Mix4	In last year's budgeting process a new project was planned for 2011/2012 to construct a new well (it was not in the LTCCP) at a cost of \$150,000 however this has been deferred to 2012/2013 subject to review of Public Health Risk Management Plan and revised MoH subsidy criteria.
Winton -Electrical Upgrades - pl234.A	\$112,528	-	Loan	This was deferred to 2011/2012 as part of last year's Annual Plan however it has been deferred further to 2012/2013 based on prioritisation of workload.
Winton - Treatment Upgrade - pl201.B	\$222,480	-	Mix4	This was deferred to 2011/2012 as part of last year's Annual Plan and now is deferred further to 2012/2013 MoH Subsidy Scheme being on hold. The budget has also increased to \$375,000 following recently received tenders.

Mix1 - MoH subsidy, Council 1/6 contribution and Rates. Mix2 - MoH subsidy, Council 1/6 contribution and Reserves. Mix3 - MoH subsidy, Council 1/6 contribution and Scheme Capital Recoveries.  
 Mix4 - MoH subsidy, Council 1/6 contribution and Loan

### Cost of Service Statement Variations

Changes to the timing of projects generally from 2010/2011 to 2011/2012 as outlined above, has resulted in a decrease in capital costs, loans raised and revenue from additional funding sources such as Council (contributions), Ministry of Health and ratepayers (by way of scheme recoveries). Financing costs have decreased, with a corresponding increase in operating costs as a result of changing some loan funding of projects from external to internal.

### 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?

LTCCP 2010/2011	Water Supply	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
2,418,892	Rates	2,602,181	2,612,962
233,268	Activity Revenue	1,159,065	171,498
-	Development & Financial Cont	128,154	77,305
2,015,019	Grants and Donations	1,369,758	1,563,025
4,667,179	<b>Total Operating Revenue</b>	5,259,158	4,424,790
<b>Operating Expenditure</b>			
1,031,240	Depreciation	1,151,155	1,151,155
277,190	Finance Costs	290,638	-
1,974,363	Other Operating Costs	2,036,027	2,294,745
3,282,793	<b>Less Total Operating Expenditure</b>	3,477,820	3,445,900
1,384,386	<b>Operating Surplus/(Deficit)</b>	1,781,338	978,890
1,384,386	Operating Surplus/Deficit transferred to/(funded from) Reserves	1,781,338	978,890
<b>CAPITAL AND RESERVES</b>			
-	Acquisition-Demand	130,237	77,305
3,078,362	Acquisition-Level of Service	2,865,863	2,429,184
-	Vested Assets	-	90,628
1,220,616	Renewals	2,600,796	991,267
4,298,978	<b>Total Capital Expenditure</b>	5,596,896	3,588,384
114,759	Loans Repaid	119,924	151,148
130,530	Transfers to Reserves	591,413	273,043
245,289	<b>Total Capital Movements</b>	711,337	424,191
-	Operating Deficit	-	-
4,544,267	<b>Total Funding Required</b>	6,308,233	4,012,575
<b>Funded By</b>			
1,114,121	Loans Raised	3,155,700	916,268
1,031,240	Non Cash Expenditure	1,151,155	1,151,155
1,014,520	Transfers from Reserves	220,040	966,262
1,384,386	Operating Surplus	1,781,338	978,890
4,544,267	<b>Total Funding Applied</b>	6,308,233	4,012,575

# Work Schemes

*Aim: Co-ordinate 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 services 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 are the key issues?

There are no key issues for this activity.

## 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>A well-educated and skilled community continually seeking further opportunities to learn (7)</b>						
<b>Intermediate outcome:</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)						
<b>What Council will provide</b>	<b>How Council will measure the service provided</b>						
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>			
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).	100%	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%	95%	Quarterly Report			
Quality Provide opportunities for individuals to develop their skills.	Percentage of community work participants who increase their skill base.	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.	100%	90%	Survey - User			

Note that the targets above are the same for the next 10 years.

**What are the projects and variances from the LTCCP?**

There are no projects planned or any major variances from the LTCCP.

**Cost of Service Statement variances**

There are no major variances from the LTCCP.

**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?**

LTCCP 2010/2011	Work Schemes	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
32,791	Rates	33,783	40,189
31,344	Activity Revenue	69,321	77,163
64,135	<b>Total Operating Revenue</b>	103,104	117,352
<b>Operating Expenditure</b>			
20,103	Depreciation	20,103	21,939
38,485	Other Operating Costs	40,284	43,854
58,588	<b>Less Total Operating Expenditure</b>	60,387	65,793
5,547	<b>Operating Surplus/(Deficit)</b>	42,717	51,559
5,547	Operating Surplus/Deficit transferred to/(funded from) Reserves	42,717	51,559
<b>CAPITAL AND RESERVES</b>			
-	Renewals	112,671	112,671
-	<b>Total Capital Expenditure</b>	112,671	112,671
6,000	Transfers to Reserves	43,170	52,012
6,000	<b>Total Capital Movements</b>	43,170	52,012
-	Operating Deficit	-	-
6,000	<b>Total Funding Required</b>	155,841	164,683
<b>Funded By</b>			
453	Non Cash Expenditure	453	453
-	Transfers from Reserves	112,671	112,671
5,547	Operating Surplus	42,717	51,559
6,000	<b>Total Funding Applied</b>	155,841	164,683

# 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 include depots, 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. The activity also includes contributions to assist with the operation of swimming pools not owned by Council.

## Why we do it

This activity contributes to a diverse economy by having infrastructure (boat ramps, jetties, wharves 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 stopbanks and marine walls which protect the environment from flooding) as well as contributing to safe places (by having aids which improve navigation safety).

## What are the key issues?

There are no key issues for this activity.

## 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	Actual 09/10	Target 11/12	Source
<b>Level of Service</b>	<b>Key Performance Indicator</b>	<b>Actual 09/10</b>	<b>Target 11/12</b>	<b>Source</b>
Safety Buildings are safe to use.	Percentage of buildings that comply with legal requirements (checks).	96%	90%	Audit
Access and Safety Harbour facilities and jetties are accessible and safe to use.	Number of access or safety issues reported.	1	0	Reports

Note that the targets above are the same for the next 10 years.

### What are the projects and variances from the LTCCP?

There are no major projects planned (apart from internal refurbishing of some Council offices) or any major variances from the LTCCP.

### Cost of Service Statement variances

Grants and donations and operating costs have increased as a result of including estimates for 2011/2012 for Museum activities, not previously included in the LTCCP. Operating costs and transfers from reserves have also increased as a result of the Council's contribution to the Winton Medical Centre upgrade. This upgrade is being funded by Winton Community Board 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 per annum 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?

LTCCP 2010/2011	Other Local Services	LTCCP 2011/2012	Annual Plan 2011/2012
<b>REVENUE AND EXPENSE</b>			
<b>Operating Revenue</b>			
131,202	Rates	76,079	95,346
404,790	Activity Revenue	393,085	345,267
5,000	Grants and Donations	5,000	103,002
540,992	<b>Total Operating Revenue</b>	474,164	543,615
<b>Operating Expenditure</b>			
220,427	Depreciation	216,689	214,123
406,569	Other Operating Costs	378,316	571,796
626,996	<b>Less Total Operating Expenditure</b>	595,005	785,919
(86,004)	<b>Operating Surplus/(Deficit)</b>	(120,841)	(242,304)
(86,004)	Operating Surplus/Deficit transferred to/(funded from) Reserves	(120,841)	(242,304)
<b>CAPITAL AND RESERVES</b>			
-	Acquisition-Level of Service	8,454	20,037
-	<b>Total Capital Expenditure</b>	8,454	20,037
-	Loans Repaid	-	4,110
192,098	Transfers to Reserves	173,068	186,315
192,098	<b>Total Capital Movements</b>	173,068	190,425
86,004	Operating Deficit	120,841	242,304
278,102	<b>Total Funding Required</b>	302,363	452,766
<b>Funded By</b>			
199,648	Non Cash Expenditure	195,910	195,910
78,454	Transfers from Reserves	106,453	256,856
-	Operating Surplus	-	-
278,102	<b>Total Funding Applied</b>	302,363	452,766