

TASMAN DISTRICT COUNCIL

ANNUAL REPORT

30 June 2012

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Directory

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

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

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

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

Main Office

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Motueka Office

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Golden Bay Office

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Murchison Office

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**Membership of Council
For the year ended 30 June 2012**

Tasman Mayor



Mayor Richard Kempthorne

Moutere/Waimea Ward



Cr Brian Ensor



Deputy Mayor, Cr Tim King



Cr Trevor Norriss

Lakes/Murchison Ward



Cr Stuart Bryant

Golden Bay Ward



Cr Martine Bouillir



Cr Paul Sangster
(Elected October 2011)



Cr Noel Riley
(Resigned July 2011)

Motueka Ward



Cr Barry Dowler



Cr Jack Inglis



Cr Eileen Wilkins

Richmond Ward



Cr Kit Maling



Cr Judene Edgar



Cr Glenys Glover



Cr Zane Mirfin

Mayor and Chief Executive Officer' Overview

The 2011/2012 year was a challenging year for New Zealand and the Tasman District. For all of New Zealand the continuing difficult economic conditions and recovery from the Christchurch earthquakes has created an environment that has required communities to rally together.

Emergencies

In Tasman we have had several significant rainfall events over the last 18 months, including the December 2011 event which resulted in the first Civil Defence Emergency since 1990 being declared in the region. These events have meant that we haven't been able to provide all services to all residents during the year, and there is still work to be undertaken to get roads, stormwater, water and wastewater systems back to their usual service levels.

What has been amazing is how our communities worked together and how well residents and businesses responded despite very difficult situations. What was particularly impressive was the way that people kept in touch and supported each other, maintaining basic necessities of life, and responded to the natural calamity with practicality and patience.

Projects

Notwithstanding the rainfall events Council has still managed to deliver on key projects during the year. Detailed information on some of these projects are included on the following pages, but some of the key projects and work were:

- Amalgamation proposal and working through to the poll in April
- 2012Representation arrangements and a by-election in Golden Bay
- Processing of over 1000 resource consent applications
- Running Ecofest in conjunction with Nelson City Council with over 5,000 residents attending the festival
- Notification of Part 4 of the Tasman Resource Management Plan on Rivers and Lakes
- Participation in the delivery of games, Fanzones and celebrations for the Rugby World Cup
- Further development of Tasman's Great Taste cycle Trail
- Adding a further four Community Cottages in Hill Street, Richmond
- Completing reconstruction of the James Road Bridge that was destroyed in the 2010 floods
- Commissioning the Takaka township fire mains
- Upgrading stormwater and wastewater systems in Motueka
- Upgrading of the wastewater systems in Murchison
- Upgrading Mariri and Richmond Resource Recovery Centres
- Installation of traffic signals at the Arbor Lea/Salisbury Road intersection
- Completing accreditation as an 'International Safe Community'

Council also undertook a number of consultation processes during the year including on the 2012-2022 Long Term Plan which has enabled Council to consider and take into account residents views on the future direction for the district. Our thanks to everyone who participated any of the consultation processes during the year as we Council knows how much time people put into having input into Council decisions.

Planning for the Future

Tasman is one of the fastest growing regions in New Zealand and during the year Council continued work on the draft plan change for Motueka West and Central, and continued to mediate on appeals for Richmond West rezoning. This work has the objective of providing appropriately zoned land to enable growth to continue in these major centres.

Financial results

In financial terms, Council borrowing as at the end of June 2012 was \$149.1 million (excluding joint venture share of borrowings) and close to the budgeted figure of \$153.3 million. During the year Council purchased \$38.1 million of additional assets and spent \$92.9 million on services. Council continues to be in a strong financial position, ratepayers equity increased during the year from \$1,086 million to \$1,130 million.

Despite the challenges over the last twelve months there has been plenty of progress made in the District and through working together the Tasman District will continue to improve year after year.



Richard Kempthorne
Mayor



Lindsay McKenzie
Chief Executive Officer

Summary of the 2011/2012 year

In a challenging year, Council has completed a large number of successful projects and initiatives. What follows is a selection of key actions in the 2011/2012 year.

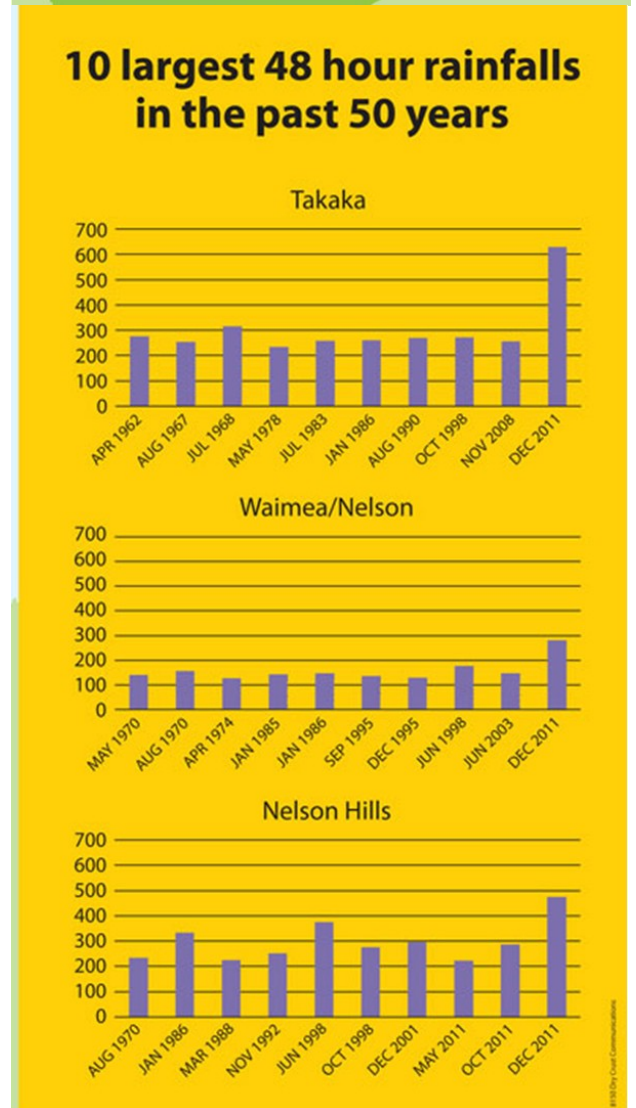
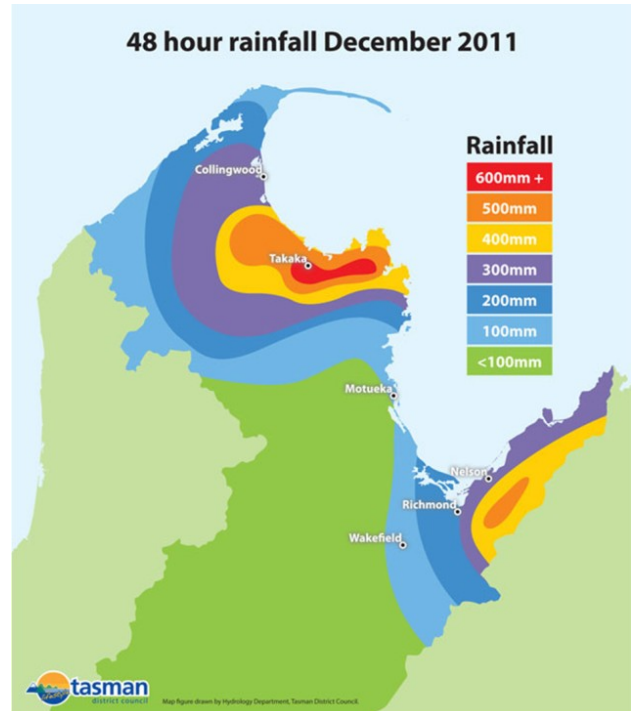
Rainfall event

The most significant event for Council during the year was the heavy rainfall experienced in parts of Golden Bay and Richmond in December 2011. The sections of the map below show areas where the rainfall was over 600mm during a 48-hour period. A civil defence emergency was declared for the Nelson-Tasman region on 14 December 2011, the first such declaration since 1990. Feedback from the Minister of Civil Defence and Emergency Management was that the response to the rainfall event was well coordinated and that organisations worked well in managing the problems that arose during the event.



Tasman District Council Emergency Management Offices December 2011

The adjacent map shows the intensity of the rainfall during this event and the graphs show the 10 largest rainfall events in a 48-hour period over the last 50 years. The December 2011 rainfall was the highest level of rainfall for the three shown areas, and was significantly higher for Takaka.



Impacts of the emergency

Golden Bay

Residents of eastern Golden Bay, and particularly Pohara, Ligar Bay and Wainui, were affected by landslips and debris flows inundating homes and properties. Roads were closed by slips including State Highway 60 at Birds Hill while others experienced surface flooding with temporary access constraints. Severe damage to the Totaranui Road closed off access to the campground and Awaroa for four months.

Water supply in Pohara was affected and temporary arrangements for the Pohara Campground were put in place with assistance from Fonterra. A boil water notice was issued for the Pohara water supply. There were problems with reticulated wastewater services but these were largely restored in the following weeks. The release of sewage did result in restrictions on swimming (lifted 48 hours later) and harvesting shellfish.

Significant damage was done to stormwater services both public and private. Some watercourses changed course, the Wainui River having the most dramatic effect, but creeks and streams in Pohara and Ligar Bay were completely overwhelmed and significant damage occurred to residential properties and services in these areas, as a consequence of the rainfall.

A series of street meetings were organised around affected areas and weekly on-line newsletters to keep residents informed and provide a channel of responding to issues.

Richmond

Some residents along the foothills were impacted by landslips and some by overland flow of stormwater. Property and houses needed cleaning up and repair work undertaken.

A temporary boil water notice was issued for Richmond for one week because of water quality readings showing presence of pathogens at low levels.

Council's Dellside Reserve and Easby Park suffered damage to walkways and inundation and landslip. Bill Wilkes reserve and Washbourne Gardens did what they were meant to do as detention ponds but were also overwhelmed by the volume of water which created issues for Oxford Street businesses.

Aniseed Valley Road was closed to traffic and access had to be gained via Meade Road, a forestry road.

Building damage

Widespread damage was caused by flood waters and debris. The worst effects were felt where natural dams of logs and rocks formed and then failed under extreme pressure. The contents then cascaded into similar dams below and caused a "domino effect" - the end result being huge volumes of water and debris hitting land and property below.

Some property and houses needed to be evacuated during the event. Work and Income assisted with the associated welfare issues. A major community effort was required for the clean-up exercise. Council has assisted in providing for the dumping of waste generated from the rain event.

Inspections by geotechnical advisers, building control staff and a welfare representative lead to the 'sticking' of houses with access conditions. These were followed up with

the issue of Section 124 notices under the Building Act to 29 houses in Tasman District, 18 in the Golden Bay area and 11 in the Richmond area.



December 2011 flooding

Community coming together

The Declaration of Emergency lasted for the full two weeks permissible under the Civil Defence and Emergency Management Act. The Emergency Operation Centres at Richmond and Takaka were staffed for a good proportion of this time by council staff from Tasman and Nelson and other emergency services and welfare agencies. Assistance was provided by other Councils, the Ministry of Civil Defence and Emergency Management (MCDEM), and the Department of Building and Housing. A dedicated team of geotechnical specialists, locally and from across the country, were also deployed during the emergency.

Council also very much appreciated the support and response by the community who faced very difficult circumstances during this emergency.

Cost associated with the recovery

Total costs arising from the rainfall event was approximately \$10.1 million, of this \$6.7 million is expected to be recovered from sources such as the New Zealand Transport Agency, Ministry of Civil Defence and Emergency Management, Insurance and property owners (for private property damage). The balance of \$3.4 million has had to be met from Council's General Disaster Fund. Council had increased its contribution to this fund to \$900,000 for the 2012/2013 year and also decided to use \$3 million of the Port Nelson special dividend received in 2011/2012 to replenish the General Disaster Fund. This additional funding will mean there should be sufficient money available to cover the costs of the disaster recovery work.

The final costs will not be known until tenders are received and work completed in repairing assets.

Future work

Council has developed plans to reinstate as much of the damaged infrastructure as possible. This includes work on:

- Pohara Valley drinking water, stormwater and roading
- Haile Lane, Pohara
- Ligar Bay Creek
- Aniseed Hill slips

- Dellside Reserve
- Barrington Place stormwater
- Wainui Hill road

Our Finances

Current financial position

Council continues to be in a strong financial position with ratepayer's equity increasing during the year from \$1,086 million to \$1,130 million.

Council budget for capital expenditure was \$40.078 million for the year and actual expenditure was \$38.093. Operating expenditure was \$92.9 million compared to budget of \$93.7 million.

Borrowing

Council loans as at the end of June 2012 at \$149.1 million (excluding share of joint venture borrowing) were close to the budget of \$153.3 million.

The Council is a founding member of the Local Government Funding Agency (LGFA) which commenced in December 2011. The LGFA is a collection of Councils that "club" together in order to borrow at lower interest rates.

Investments

Council received \$6.5 million in dividends during the 2011/2012 year from its Council Controlled Trading Organisations, made up of \$6.1 million dividend from Port Nelson Limited and \$0.4 million from Nelson Airport Limited. These dividends assist with reducing rates. The \$6.1 million received from Port Nelson Limited included a special dividend of \$4 million of which \$3 million was used to replenish the General Disaster Fund.

Rates rebates

During the 2011/2012 year the Rates Team approved 1,748 rates rebates applications this year worth \$975,858.35. Rates rebates are paid by the Department of Internal Affairs Residents on low incomes can apply for these rebates and the maximum rebate is \$580 per annum. Council actively promotes the rates rebates scheme to ensure as many eligible ratepayers as possible receive this rebate.

Providing the services that our community needs

Infrastructure

Most of the money spent by the Council is for maintaining and improving infrastructure. A huge range of work has been carried out throughout the district on maintaining footpaths and roads, and putting in place services such as the upgrade of wastewater pump stations in Murchison. Other highlights were the opening of the new \$1.4 million James Road Bridge in Golden Bay replacing the bridge that was destroyed in the 2010 floods, the Takaka township fire mains being commissioned and the upgrade to stormwater and wastewater systems in Motueka.



Reconstruction of James Road Bridge in Golden Bay

Resource Recovery Centres and Reducing Waste

Upgrades were made at the Mariri and Richmond Resource Recovery Centres, with the Richmond Centre upgrade including a new compactor and motor home dump point. The Tasman and Nelson Councils also signed a Joint Waste Management and Minimisation Plan, which includes a list of actions for the two Councils and our communities to achieve over the next six years. High on the list of priorities is the co-ordination of the two landfill operations to gain efficiencies and minimise the impact of the Emissions Trading Scheme. The two Councils also aim to increase the amount of organic material that is composted, collect more paper and cardboard for recycling and to encourage the building industry to reuse materials rather than having to send them to landfill.



Richmond Resource Recovery Centre upgrade

Roading Upgrades

A number of improvements were made during the year including installation of traffic signals at the Arbor Lea/Salisbury Road intersection, Aranui Road upgrade and improvements to lighting along Queen Street from Gladstone Road to Salisbury Road.



Aranui Road upgrade

Stormwater improvements

Council has made improvements throughout the district for stormwater management, including work at Little Kaiteriteri, Poole Street/High Street in Motueka and Patons Rock in Golden Bay.

Tasman's Great Taste Trail

This is a new cycleway and walkway in the Tasman region which will eventually be a loop of 175km running from Nelson Airport to Richmond, out to Tapawera, along the Motueka River Valley to Riwaka, and then back to Richmond through Motueka and Mapua. The development is a combined project with Central Government funding and the Nelson Tasman Cycle Trust. As well as providing cycling facilities for residents there is expected to be significant tourism benefits with cyclists expecting to spend a number of days to enjoy the food, accommodation and activities of the Tasman District. This project was strongly supported in submissions to the Council Long Term Plan 2012-2022.

Stage One - the Coastal Route - is nearing completion and Council has provided funding and provision for Government and community funding to complete the trail over the next seven years. During the year 12-15 km of trail was completed and the Wairoa Suspension Bridge near Brightwater was opened on 8 July 2012.

Keeping people safe

Safe at the Top

In July 2011 Tasman gained 'International Safe Community' accreditation from the World Health Organisation (WHO). Seven reviewers from the International Safe Community Certifying Centre visited Tasman and Nelson to carry out the WHO assessment and examined a wide range of programmes including family violence, workplace safety projects and urban areas including Sundial Square to see how these had been designed to deter crime. Other projects include Outdoor (tramping) Safety programmes and education and enforcement of the 20kmh speed limit for cars passing schools buses.

Road Safety Campaigns

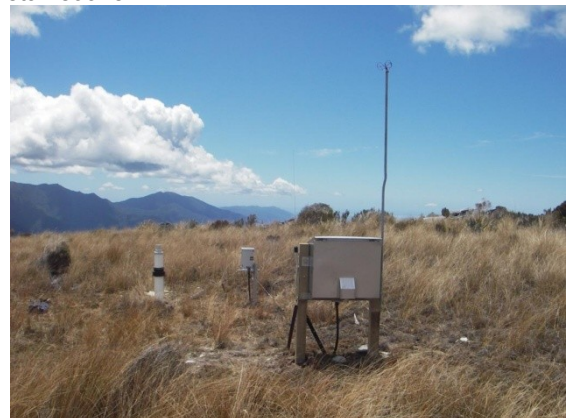
During the 2011/2012 year 18 training and up-skilling courses were run across Tasman/Nelson with 122 riders of all ages and types of bikes attending. A series of stopping distance demonstrations were also held, which involved 28 schools and three early childhood centres. Approximately 5,000 students, teachers, parents and members of the wider

community participated in the demonstrations. The objectives of this work are to increase awareness and skills around our roads and to reduce injury and deaths from road accidents.



Rain gauge upgraded

Council provides an extensive river monitoring system to provide early warning of flood events. This system was available for the public to access information over 99% of the time throughout the year. During the year a number of river sites were upgraded, including setting up of a repeater site in Collingwood to provide better communication to a new river site at Salisbury Bridge and three additional rain gauges were installed in the Aorere catchment. This work provides Council with improved information on rainfall patterns and should enable improved information to be provided to farmers, trampers, residents and Civil Defence staff sooner.



Perry Saddle rain gauge

Governance

Amalgamation Proposal

The amalgamation proposal between Tasman District and Nelson City was the main focus of governance work over the year. This included providing information and submissions to the Local Government Commission and the public. This work concluded once the poll was held in April

2012, with 74% of Tasman voters voting against the proposed amalgamation.

Representation arrangements and By-election Review

Every six years Council reviews the representation model and voting systems including whether First Past the Post or Single Transferable Votes are used, the number of Councillors, whether there are Community Boards, and the number and size of wards and ward Councillors. The process is currently in its final stages with one appeal being considered by the Local Government Commission.

In September 2011 Council also held a by-election in Golden Bay following the resignation of Cr Noel Riley. Paul Sangster was elected to fill this post.

Iwi and Maori contribution to decision making

A number of steps have been taken over the last few years to enable greater contribution by Māori in decision-making processes. Some of the recent actions are inclusion of Iwi representatives on important working groups such as the Waimea Water Augmentation Committee and Lower Motueka River Flood Control project. In the last year Iwi and Council have also appointed Rev Andy Joseph as Council Kaumatua to assist the Mayor and Chief Executive with Māori protocol.

Council recognises that as the Te Tiriti o Waitangi/The Treaty of Waitangi claims are settled that the role of Iwi in the District will develop as well as our relationships. Council will also continue to be mindful of further opportunities to include Iwi and Māori views in its decision-making processes.



Blessing of Bruce Mitchell's Kaka Beak sculpture by Kaumatua Rev Andy Joseph

Community Board delegations

Following investigation of Community Board powers in Southland the Council proposed a number of improvements to the delegations to the Golden Bay and Motueka Community Board powers. Consultation with the Community Boards resulted in further refinement and new

and increased delegated powers were provided to the Boards in August 2011, similar to those proposed by the Local Government Commission.

Contributions to Central Government Policies

As part of its role in delivering services to businesses and residents in Tasman, the Council also keeps an eye open for changes to legislation and regulations proposed by Central Government. Our position as a unitary authority having both District and Regional Council responsibilities, gives us a wider view on the impacts that changes to legislation can have on services and the cost of services. During the year Council has responded to a number of Government proposals including the National Environmental Standards (NES) on Plantation Forestry, NES on Soil Contamination, and The Productivity Commission's report on Affordable Housing.

Consultation processes

The largest consultation process run by Council during the year was on the Draft Long Term Plan 2012-2022. Nine hundred and one submissions were received covering the full spectrum of Council activities. But there were many other opportunities taken up by residents to have a say on the Council's decision making processes, including the Joint Waste Minimisation and Management Plan and the Regional Land Transport Programme.

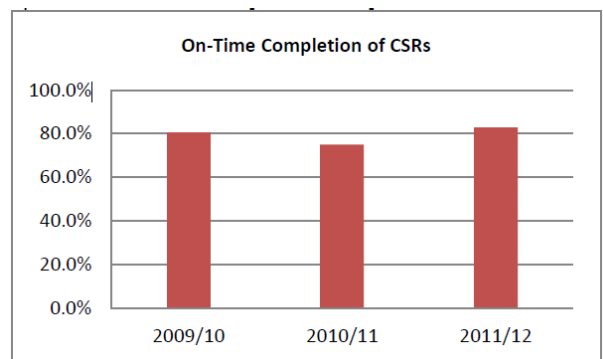
Customer Service

Council receives a large number of requests from the public each year. Most, but not all, go through our Customer Services team located in Richmond, Motueka, Takaka and Murchison. During the twelve-month period to 30 June 2012 Council received over 90,000 phone calls and 74,000 enquiries at its customer services counters.

Council provides key services to the public including water, sewerage and stormwater services and the loss of these services, even for a short period of time, has a significant impact on residents and businesses. A total of 82.8% of Customer Service Requests (CSR) for faults to be fixed were responded to and completed within the specified Council timeframes. This is higher than the previous year of 75% of customer requests but still below our target of 90%. Council will continue to work on improving both our own and our contractors responses to these requests.

Eighty per cent (80%) of customers were very or fairly satisfied with Council with their telephone enquiries and 87% of those people who came into Council were very or fairly satisfied.

Customer Service Requests (CSRs)



Information from Council's 2011/2012 Residents' Survey

Environment

One of the important roles that Council has as a unitary authority is its environmental work. This includes ongoing monitoring and regulation of land, water and air quality.

Planning for the Future

Tasman is one of the fastest-growing regions in New Zealand with the population estimated to have increased by 1.6% in the year ending 30 June 2011 (this is the latest estimate from Statistic New Zealand). This is the same rate as for Auckland. Accordingly it is important that the Council plans for this growth and at the same time protects the environment that people move here to enjoy. During the year Council progressed the draft plan change for Motueka West and Central, and continued to mediate on appeals for Richmond West rezoning with four of the eight appeals resolved as at 30 June 2012. This planning work will enable growth to continue in these major centres.

A review of rural land use and subdivision policies and plans has started. There will be opportunities for the public to have their say once draft proposals are prepared.

Environmental Awards

The Tasman Nelson Environment Awards recognised the hard work our community does to protect and enhance our environment. There were 59 entries to the awards. One of the many worthy winners was Tane's Ark – a project that has been transforming a hectare of weedy wasteland on the western side of Aranui Park in Mapua into the start of a lowland forest wetland.

Resource Consents

Council completed processing of 950 non-notified applications during the year, with 98% processed within statutory timeframes. 63 notified or limited notification applications were processed and 91% of these were within the statutory timeframes.

Building Consents

96.8% of building consent applications were processed within 20 days, this was an increase from 94.3% in the previous year.

Ecofest

This ever popular event was held in August 2011 with a theme of future-proofing your family. Over 5,000 people attended the event. As well as trade stands, Ecofest included a large number of seminars to help people learn the skills they might need when the unexpected hits. A local family also lived for two days at the Trafalgar Centre in conditions similar to those that they would have experienced after a major emergency.

A mini Ecofest was held in Golden Bay in May 2012 which was popular for locals and visitors.

Pest Management Strategy

This year in conjunction with Nelson City Council we also consulted on an updated Pest Management Strategy. Twenty six submissions were received and hearings held in September 2012.



Staff and public looking at plant pests at Ecofest

Coastcare and the Beach Clean-up

Council continued its support of the Coast Care programme throughout the District with many volunteers giving up their time to assist with planting along the coast to assist with protection of sand dunes and creating an environment that supports a wide range of insects and birdlife. Thousands of plants including spinifex and pingao were planted during the year. More than 1,000 people took part in the Annual Beach Clean-up last November removing tonnes of rubbish from the 293km of beaches in the Tasman District.



Coastcare plantings

Rivers and Lakes – Tasman Resource Management Plan

A significant achievement for the year was the notification of Part 4 of the Tasman Resource Management Plan, Rivers and Lakes. Only two appeals were received and only one is now waiting to be resolved.

Air Quality

There were 16 exceedences of the National Environment Standard in Richmond during the year, five more than in the previous winter. Council has updated its target for Air Quality as part of the 2012-2022 Long Term Plan. The new target is to have no more than three exceedences by 2016 and no more than one by 2020. Given that most air pollution is caused by household fires Council is continuing to require older fire places to be phased out when properties are sold and is also using the "Good Wood" programme to promote the use of drier and cleaner burning wood as a means of increasing air quality.

Community Services

Community Events

It was a busy year for Tasman with plenty of activities for residents to participate in right through all seasons. Some of the key highlights were the celebration of 25 years of the Motueka Recreation Centre in February, Poetry in the Vineyard, the South Island Masters Games, participation in the Rugby World Cup and the opening of Tasman's Great Taste Trail ferry service between Rabbit Island and Mapua.

space issues for the Motueka library and as part of developing the Long Term Plan 2012-2022 Council has provided funding for redevelopment.



Richmond parade as part of Rugby World Cup

Community Cottages

The most significant change to the services provided by Council for Community Cottages was the addition of four new units in Hill Street, Richmond at Aotea Flats. These increased the number of units available to 101 units throughout the District. The cottages pay a return to Council.



Aotea Flats, Richmond

Libraries

The main District Library is located in Richmond and smaller libraries are provided in Motueka, Takaka and Murchison. During the year the libraries added a further 17,535 items and now provides 85% of the current recommended standard for New Zealand library books and other items available for borrowing. Council also updated its library management software during the year which provides increased capacity and functionality for users. There are

Tasman District Council Vision Statement

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

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

Tasman District Council Mission Statement

To enhance community wellbeing and quality of life

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

Community Outcomes

COMMUNITY OUTCOMES

Background

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

Eight community outcomes were developed following extensive community involvement in 2005, for inclusion in the 2006-2016 Ten Year Plan. The process to develop the community outcomes is outlined fully in the 2006-2019 Ten Year Plan¹. Please refer to that document for details on the process should you require them.

As part of the development of the Long Term Plan 2012-2022, Council consulted with the public on possible changes to the Community Outcomes. A number of submissions were received and considered by Council and although the overall direction of the previous Community Outcomes has been retained the wording in these new Outcomes has been amended slightly. Changes made to the Local Government Act 2002 (the Act) at the end of 2010 changed the definition of Community Outcomes from being those that are developed and implemented in conjunction with the community to those that Council itself aims to achieve. Notwithstanding this change Council believes that the Community Outcomes can only be achieved through working in partnership with the whole community, including individuals, businesses, government agencies and community organisations.

Council's role in developing the outcomes was to:

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

Our Place, Our Future

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

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

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

Reporting of progress towards achievement of outcomes

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

¹ Tasman District Council Long Term Council Community Plan 2009 Volume 1

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

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

Achievements for 2011/2012

Outcome 1: Our unique natural environment is healthy and protected

- Regional Pest Management Strategy Review
- State of the Environment Reporting
- Ecofest

Outcome 2: Urban and rural environments are pleasant, safe and sustainably managed

- Growth Strategy and Activity Management Plans.
- Part IV of TRMP – Rivers and Lakes was completed and made operative.
- Tasman District Council Reserve General Policies document was prepared ready for consultation in 2012/2013.

Outcome 3: Our infrastructure is safe, efficient and sustainably managed

- James Road bridge replacement following the December 2010 Aorere flood event.
- Ruby Bay and Kotare Place Stormwater upgrades
- Sewer renewals in Motueka
- Murchison wastewater pumpstation upgrade
- Mariri Resource Recovery Centre site upgrade
- TDC and NCC Joint Waste Management & Minimisation Plan
- Richmond Resource Recovery Centre upgrade.

Outcome 4: Our communities are healthy, resilient and enjoy a good quality of life

- Response to and recovery work after the December 2011 storm
- Development of the Takaka flood inundation model
- New Salisbury water level recorder and Collingwood repeater
- Staff assisting with the Rena grounding response in the Bay of Plenty
- Vehicle stopping distance demonstrations
- Bike Wise events

Outcome 5: Our communities respect regional history, heritage and culture

- Development of the new Library website
- Ongoing support for Museums
- Community Grants allocations
- Consultation on road works at Turners Bluff
- Celebration of the arrival of Godwits after their epic journey to our region.

Outcome 6: Our communities have access to a range of cultural, social, educational and recreational services

- Construction of four new Council Cottages at Aotea Flats on Hill Street
- New playground installed beside the Bainham Hall
- New artificial cricket blocks installed at Lord Rutherford Park and Moutere Hills Complex
- Second Stage of the Mapua Waterfront Park development.
- Wharf Road, Motueka –walkway completed

Outcome 7: Communities engage with Council's decision making processes.

Consultation has been undertaken on the following projects:

- Long Term Plan 2012-2022
- Regional Land Transport Programme
- Regional Pest Strategy
- Motueka Aerodrome Management and Development Plans
- Lower Motueka River Flood Control project
- Joint Waste Minimisation and Management Plan

Outcome 8: Our developing and sustainable economy provides opportunities for us all

- 336 new dwelling consents were issued
- Launch of Explore Tasman – version 2 (jointly with Nelson City Council)
- ACC Workplace Safety Management Plan and accreditation at the tertiary level
- Joining the Local Government Funding Agency
- Working through the amalgamation proposal
- Positive outcome at the Environment Court on Motueka Water

Financial reviews leading to the Long Term Plan

Tasman District Council

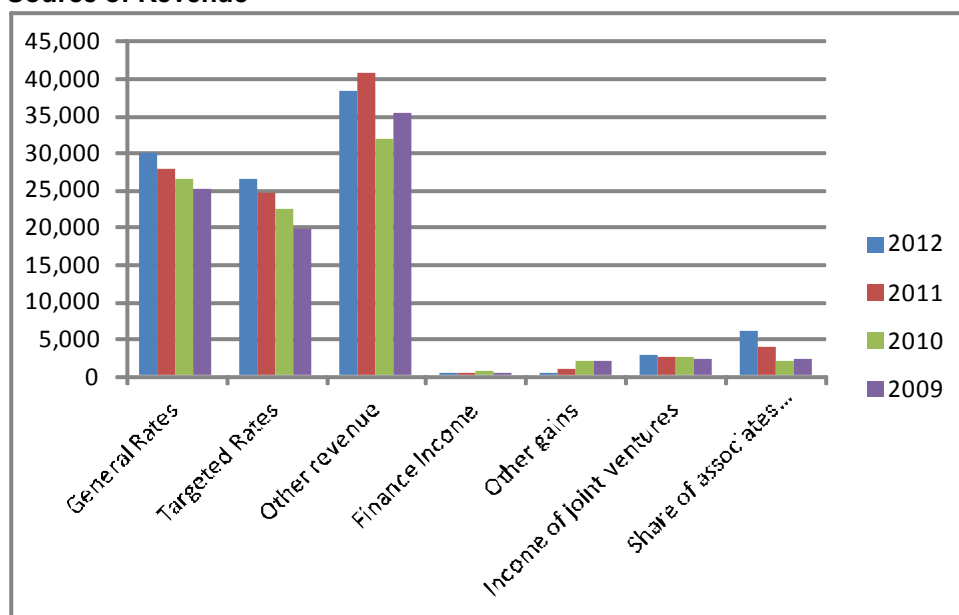
Financial Highlights

Council's Five Year Financial Performance Summary

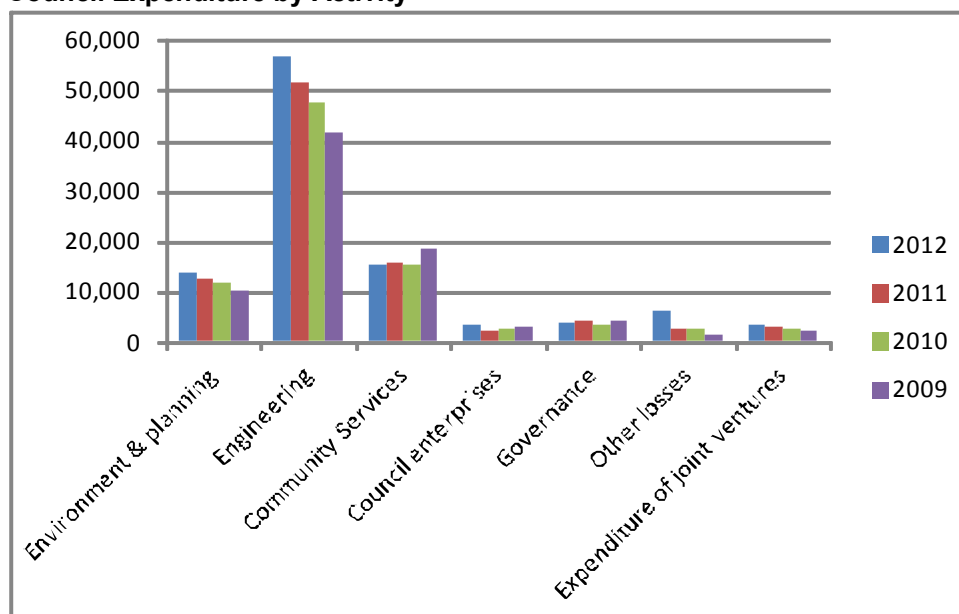
	2012 \$(000's)	2011 \$(000's)	2010 \$(000's)	2009 \$(000's)	2008 \$(000's)
District General Rates	29,985	27,835	26,421	25,082	23,698
Net Surplus	1,486	9,368	1,622	6,331	7,591
Working Capital	(4,761)	-44,381	-67,372	-7,634	-10,088
Public Debt	155,612	139,587	115,953	96,074	77,263
Current Ratio	0.84	0.36	0.20	0.71	0.57

Under NZ IFRS Council must disclose the actual loans repayable as current based on the expiry date of the loan facility. If the Council expects, and has the discretion, to refinance and roll over these loans, then it can classify the obligation as non-current. Otherwise, the loans would need to be classified as current. This is the reason why our working capital for the 2012, 2011 and 2010 financial years are significantly different to previous years.

Source of Revenue



Council Expenditure by Activity



Glossary of Terms

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

Operating Costs

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

Capital Expenditure

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

Cost of Services

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

Major Goals

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

Performance Targets

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

Income

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

Infrastructural Assets

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

Infrastructural assets are deemed to have the following attributes:

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

Depreciation

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

The role of the Annual Report and Financial Statements

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

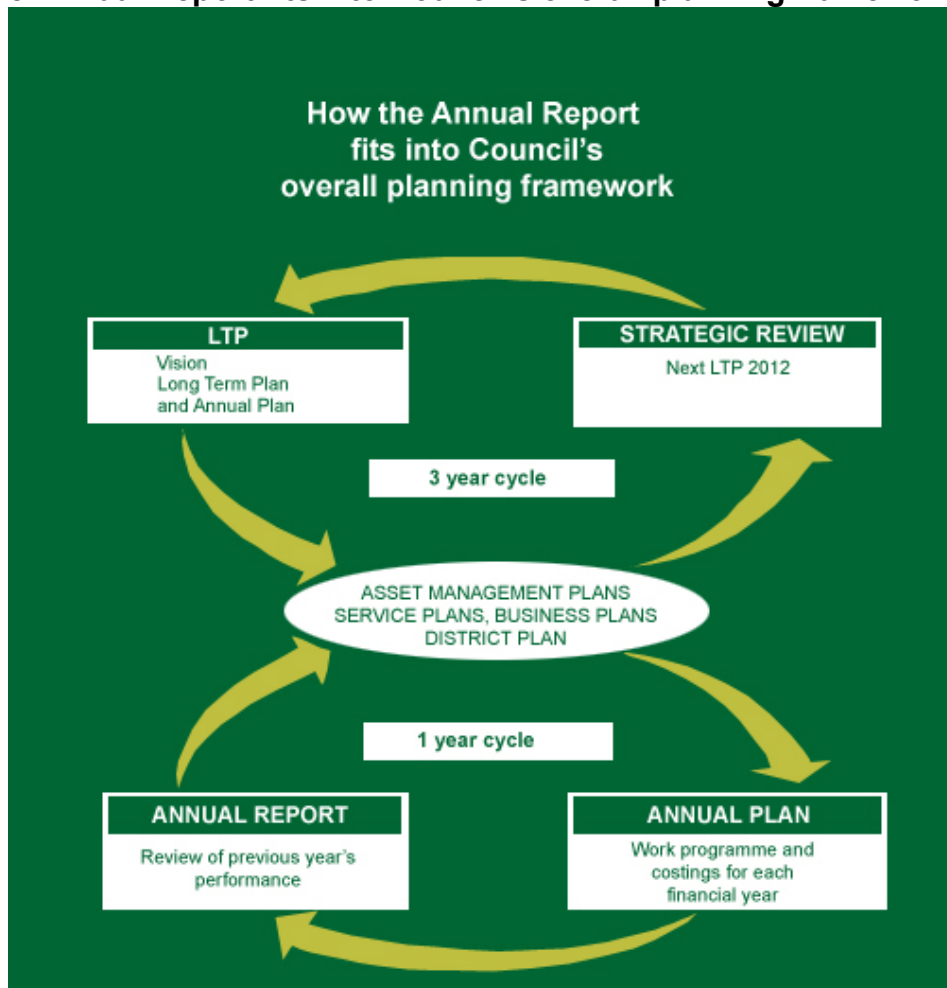
The Annual Report is also an important tool for showing how Tasman District Council's community goals are being achieved. This document, therefore, also represents an opportunity to provide interested parties with a range of additional information to give a more complete picture of the District's affairs.

The contents of this Annual Report will make reference to the District strategies and plans, including the 2009-19 Long Term Council Community Plan, which was adopted by Council on 30 June 2009, after considerable consultation with ratepayers and interested others. Many of the ways in which this information is presented are governed by legislation and standard accounting practices. However, the Tasman District Council recognises that the readers of this report are from diverse backgrounds and steps have been taken to present the information in an accessible and understandable form.

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

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

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



Statement of Compliance and Responsibility

Compliance

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

Responsibility

- 2 The Council and management of Tasman District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.
- 3 The Council and management of Tasman District Council accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.
- 4 In the opinion of the Council and management of Tasman District Council, the annual financial statements for the year ended 30 June 2012 fairly reflect the financial position, operations and service performance of Tasman District Council.

R G Kempthorne
Mayor

L McKenzie
Chief Executive Officer

M W Staite
Corporate Services Manager

DATE: 27 October 2012

**Independent Auditor's Report
To the readers of Tasman District Council's Annual report
For the year ended 30 June 2012**

**Independent Auditor's Report
To the readers of Tasman District Council's Annual report
For the year ended 30 June 2012**

Page 2

Financial Statements Introduction

- 1 The **Statement of Comprehensive Income** (page 35) summarises all income received including that from rates, the significant activities and Council's associates and joint ventures.

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

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

- 2 The **Statement of Financial Position** (page 36) shows the assets and liabilities of the Tasman District Council.
- 3 The **Statement of Cashflow** (page 37) summarises the cashflow for the year.
- 4 The **Statement of Changes in Equity** (page 38) provides a breakdown of the movements in total equity.
- 5 The individual **Statements of Cost of Service** of Council's significant activities (pages 85 - 202) record Council's objectives, targets and achievements for the year, together with the costs associated with the provision of each service.
- 6 The **Financial Statements** should be read in conjunction with the "Notes to the Financial Statements".

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

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

Statement of Accounting Policies

REPORTING ENTITY

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

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

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

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

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

The financial statements of Council are for the period ended 30 June 2012. The financial statements were authorised for issue by Council on 27 October 2012.

Basis of preparation

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

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

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

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

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

Changes in accounting policies

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

We have adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

Amendments to NZ IAS 1 *Presentation of Financial Statements*. The amendments introduce a requirement to present, either in the statement of changes in equity or the notes, for each component of equity, an analysis of other comprehensive income by item.

FRS-44 *New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with IFRS and Australian Accounting Standards (Harmonisation Amendments)* – The purpose of the new standard and amendments is to harmonise Australian and New Zealand accounting standards with source IFRS and to eliminate many of the differences between the accounting standards in each jurisdiction. The main effect of the amendments on the Council is that certain information about property valuations is no longer required to be disclosed.

Amendments to NZ IFRS 7 *Financial Instruments: Disclosures* - The amendment reduces the disclosure requirements relating to credit risk

Standards and interpretation issued and not yet adopted

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

NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June

2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Council is classified as a Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Council expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Council is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

Joint Ventures

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

The entities disclosed below are treated as joint ventures.

Nelson Regional Sewerage Business Unit.

Based on the terms of an agreement between Tasman District Council and Nelson City Council that was signed during the 1993/1994 financial year, Council has a 50% interest in this entity. The most recent unaudited financial statements (June 2012) have been used to determine Council's interest.

Nelson Tasman Combined Civil Defence Organisation.

Council has a 50% interest in this entity. The most recent unaudited financial statements (June 2012) have been used to determine Council's interest.

Associated Organisations

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

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

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

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

The entities disclosed below are treated as associates.

i) **Port Nelson Ltd**

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

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value the most recent audited statement of financial position (June 2012) has been equity accounted.

ii) **Nelson Airport Ltd**

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

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value, the most recent audited statement of financial position (June 2012) has been equity accounted.

iii) **Tourism Nelson Tasman Ltd**

Council has a 50% shareholding in this Company.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value, the most recent unaudited statement of financial position (June 2012) has been equity accounted.

iv) **Tasman Bays Heritage Trust Inc**

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

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value the most recent audited statement of financial position (June 2012) has been equity accounted. Council has equity accounted for 50% of this entity.

Revenue Recognition

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

The following particular policies apply:

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

Borrowing costs

The Council and group has elected to defer the adoption of NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all

borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application. Council recognises these grants as expenditure when a successful applicant has been notified.

Taxation

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

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

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

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

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

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

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

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that

it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating lease

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term.

Cash and cash equivalents

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

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

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

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

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

Inventories

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

Works in Progress

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

Financial Assets

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

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

Purchases and sales of investments are recognised on trade-date, the date on which Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the Statement of Financial Position date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- Financial assets at fair value through surplus or deficit.
This category has two sub-categories: financial assets held for trading, and those designated at

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

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

Currently, Council holds interest rate swaps in this category.

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

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

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

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

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

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

Council currently has other financial assets in this category.

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

This category encompasses:

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

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

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

On derecognition the cumulative gain or loss previously recognised in equity is recognised in the surplus or deficit.

Impairment of financial assets

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

Loans and other Receivables

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

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

Quoted and unquoted equity investments

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an

indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) is removed from equity and recognised in the surplus or deficit. Impairment losses recognised in the surplus or deficit on equity investments are not reversed through the surplus or deficit.

Accounting for derivative financial instruments and hedging activities

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

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

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

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

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

Certain derivatives designated as hedged derivatives can either be:

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

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

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

Fair value hedge

The gain or loss from remeasuring the hedging instrument at fair value, along with the changes in the

fair value on the hedged item attributable to the hedged risk, is recognised in the surplus or deficit. Fair value hedge accounting is only applied for hedging fixed interest risk on borrowings. If the hedge relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the surplus or deficit over the period to maturity.

Cash flow hedge

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

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

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

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

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

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment

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

Property, plant and equipment consist of:

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

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

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

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

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

Disposals

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

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with

the item will flow to Council and the cost of the item can be measured reliably.

Values included in respect of assets are as follows:

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

i) Roads and Bridges

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

ii) Land under Roads

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

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

Wastewater, solid waste, water supply, stormwater and port and wharves have been valued at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2012. From 1 July 2008 Council has ceased revaluing its airfield assets. These assets are now recorded at deemed cost, being the value at the point the decision was made to cease revaluing.

iv) River Protection Assets

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

Stop bank assets were valued for inclusion in Council's financial statement at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2012.

Depreciation

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

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

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

Infrastructure Assets

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

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

Revaluation of Assets

With the exception of vested assets at the initial point of recognition, all valuations are carried out or reviewed by the Council's Engineering Manager or by independent qualified valuers and it is intended that valuations be carried out on a three-yearly cycle. The carrying values of revalued items are reviewed at each balance date to

ensure that these values are not materially different to fair value. Where materially different, Council will revalue at an earlier point. Revaluations are carried out on an asset class basis. Forestry valuations are carried out annually.

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

Library Books

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

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

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

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

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

Furniture and Fittings

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

Land and Buildings

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

Heritage Assets

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

Heritage assets were identified and introduced at 30 June 2002 at a fair market value as determined by

QV Valuations, registered valuers. The fair market values have been adopted as deemed cost. Subsequent additions are at cost or independently determined fair market value which is adopted as deemed cost.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

New Zealand Units

The New Zealand Emissions Trading Scheme is the system in which New Zealand Units (NZUs) are traded. Effectively, one NZU is the right to emit one tonne of carbon dioxide, or the equivalent amount of certain other greenhouse gases. NZUs are recognised at cost. NZUs have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

Easements

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

Amortisation

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

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

Computer software 3 years 33%

Forestry Assets

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

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

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

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

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

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

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

Impairment of property, plant, and equipment and intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the Council or group would, if deprived of the asset, replace its remaining service potential. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

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

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

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

Properties intended for Resale/Investment Properties

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

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

Employee Entitlements

Short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Council anticipates it will be used by staff to cover those future absences.

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

Long-term benefits

Long service leave and retirement leave

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

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

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

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

Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Creditors and other payables

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

Financial guarantee contracts

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

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

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

Borrowings

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

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

Equity

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

The components of equity are:

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

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted and Council created reserves

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

GST

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing

activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Contract Retentions

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

Overheads

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

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

Budget Figures

The budget figures are those approved by the Council at the beginning of the year, after a period of consultation with the public as part of the Annual Plan process. The budget figures are those approved by the Council in its 2011/2012 Annual Plan. The budget figures are consistent with the accounting policies adopted by the Council for the preparation of the financial statements at the time the budget was prepared.

Statement of Cash Flows

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

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

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

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

Cost of Service Statements

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

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

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

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

Critical accounting estimates and assumptions

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

Landfill aftercare costs

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

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

Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over Infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modeling assessments of underground assets;

- estimating any obsolescence or surplus capacity of an asset; and

- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modeling are also carried out regularly as part of the TDC's asset management planning activities, which gives TDC further assurance over its useful life estimates.

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

Critical judgement in applying Council's accounting policies

Management have exercised the following critical judgement in applying the Council's accounting policies for the period ended 30 June 2012.

Classification of property

Council owns a number of properties which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives. These properties are accounted for as property, plant and equipment.

**Tasman District Council
Statement of Comprehensive Income
For the Year ended 30 June 2012**

June 11 Actual \$(000's)		Notes	June 12 Actual \$(000's)	June 12 Budget \$(000's)	% of Budget
	Income				
27,835	General Rates	1	29,985	29,779	101%
24,646	Targeted Rates	1	26,518	26,644	100%
40,532	Other revenue	2	38,353	37,005	104%
457	Finance Income	7	317	384	83%
1,005	Other gains	3	26	531	5%
2,610	Income of joint ventures	19	2,741	3,203	86%
3,926	Share of associates surplus/deficit	18	6,129	2,322	264%
101,011	Total Operating Income		104,069	99,868	104%
	Expenditure				
	Operating Costs of Activities				
12,344	Environment & planning		13,669	13,470	101%
51,682	Engineering		56,691	55,863	101%
15,698	Community Services		15,468	17,169	90%
2,347	Council enterprises		3,231	3,353	96%
3,995	Governance		3,818	3,914	98%
2,666	Other losses	3	6,302	-	-
2,911	Expenditure of joint ventures	19	3,320	2,403	138%
91,643	Total Expenditure	4	102,499	96,172	107%
9,368	Surplus before Taxation		1,570	3,696	42%
-	Tax expense	8	-	-	-
9,368	Net Surplus	34	1,570	3,696	42%
	Other comprehensive Income				
1,838	Gain on asset revaluations	24	44,986	27,029	166%
(650)	Asset Impairment Loss	24	(2,349)	-	-
-	Movement in NZLG shares value	24	(22)	-	-
-	Opening Equity restatement - JV		(182)	-	-
516	Other Comprehensive Income - Associates	18	(150)	-	-
1,704	Total other comprehensive Income		42,283	27,029	156%
11,072	Total comprehensive Income		43,853	30,725	143%

Comment:

Other revenue includes assets vested in Council. Vested assets for the year were \$2,156,000 lower than expected.

Other losses include an unrealised loss on revaluation of Council interest rate swaps of \$5,061,000.

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

Tasman District Council
Statement of Financial Position
As at 30 June 2012

June 11 Actual \$(000's)		Notes	June 12 Actual \$(000's)	June 12 Budget \$(000's)
	CURRENT ASSETS			
5,813	Cash and cash equivalents	9	3,870	1,497
14,431	Trade and other receivables	10	13,906	10,198
4,614	Other financial assets	12	5,570	5,060
-	Non current assets held for resale	13	1,000	-
24,858			24,346	16,755
	CURRENT LIABILITIES			
15,591	Trade and other payables	20	13,968	13,103
1,654	Employee Benefit Liabilities	22	1,853	996
2,317	Derivative Financial Instruments	11	7,416	706
49,677	Current portion of borrowings	23	5,563	8,417
69,239			28,800	23,222
(44,381)	WORKING CAPITAL		(4,454)	(6,467)
	NON CURRENT ASSETS			
83,438	Investments in associates	18	82,929	83,000
1,984	Other financial assets	12	4,309	2,178
941	Computer Software	15	952	814
95	Trade & other receivables	10	62	118
18,740	Forestry Assets	16	18,535	18,833
1,730	Investment property	17	3,260	1,896
1,115,042	Property, plant and equipment	14	1,176,356	1,183,969
1,221,970			1,286,403	1,290,808
	NON CURRENT LIABILITIES			
89,910	Term borrowings	23	150,049	144,899
630	Employee benefit liabilities	22	611	569
587	Provisions	21	974	553
91,127			151,634	146,021
1,086,462	TOTAL NET ASSETS		1,130,315	1,138,320
	EQUITY			
487,952	Accumulated equity	25	486,169	489,502
13,055	Reserve funds	26	16,092	11,046
585,455	Revaluation reserves	24	628,054	637,772
1,086,462	TOTAL EQUITY		1,130,315	1,138,320

Comment:

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

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

**Tasman District Council
Statement of Cashflows
For the Year ended 30 June 2012**

June 11 Actual \$(000's)		Notes	June 12 Actual \$(000's)	June 12 Budget \$(000's)
	Cashflow From Operating Activities			
	Cash was Provided From:			
32,885	Fees and charges		38,018	35,004
52,477	Rates revenue		56,045	55,929
2,114	Dividends received		6,512	2,322
505	Interest received		322	384
-	Net GST received		0	482
87,981			100,897	94,121
	Cash was Disbursed To:			
(60,941)	Payments to suppliers & employees		(69,915)	(68,035)
(7,897)	Interest paid		(7,675)	(9,031)
(452)	Net GST paid		29	-
(69,290)			(77,561)	(77,066)
18,691	Net Cashflow From Operating	27	23,336	17,055
	Cashflow From Investing Activities			
	Cash was Provided From:			
1,492	Proceeds from sale of assets		5	-
104	Proceeds from sale of investments		33	-
1,596			38	-
	Cash was Disbursed To:			
(38,911)	Purchase of assets		(38,259)	(32,136)
-	Purchase of investments		(3,083)	(192)
(38,911)			(41,342)	(32,328)
(37,315)	Net Cashflow From Investing		(41,304)	(32,328)
	Cashflow From Financing Activities			
	Cash was Provided From:			
30,671	Loans raised		27,491	22,179
	Cash was Disbursed To:			
(6,965)	Loan principal repayments		(11,466)	(9,241)
23,706	Net Cashflow From Financing		16,025	12,938
5,082	Total Net Cashflows		(1,943)	(2,335)
731	Opening Cash Held		5,813	3,832
5,813	Closing Cash Balance		3,870	1,497
	Represented By:			
5,813	Cash and cash equivalents		3,870	1,497
5,813			3,870	1,497

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

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

**Tasman District Council
Statement of Changes in Equity
For the Year ended 30 June 2012**

June 11 Actual \$(000's)		Notes	June 12 Actual \$ (000's)	June 12 Budget \$ (000's)
1,075,390	Equity at the start of the year		1,086,462	1,107,595
11,072	Total comprehensive income		43,853	30,725
1,086,462	Equity at the end of the year		1,130,315	1,138,320

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

**Tasman District Council
Statement of Commitments
As at 30 June 2012**

Contractual Commitments

These are commitments for which a formal contract has been entered at 30 June 2012.

2010/11 \$(000's)		2011/12 \$(000's)
570	Stormwater	270
13,709	Road Maintenance	13,984
4,123	Refuse Operations	3,656
2,905	Water Supply Maintenance	2,204
1,364	Wastewater Reticulation Maintenance	1,273
733	River Maintenance	3,358
-	Ports and Wharves	-
472	Parks and Reserves Programmed Maintenance	545
1,241	ASB Bank Aquatic Centre	965
<u>3,359</u>	Parks and Reserves	<u>1,714</u>
<u>28,476</u>		<u>27,969</u>

Operating leases as lessee

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

Non Cancellable Operating Lease Commitments

2010/11 \$(000's)		2011/12 \$(000's)
44	No later than one year	39
39	Later than one year, not later than two years	30
<u>29</u>	Later than two years, not later than five years	<u>1</u>
<u>112</u>		<u>70</u>

**Statement of Contingent Assets and Liabilities
As at 30 June 2012**

a) Guarantees

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

2010/11		2011/12
\$		\$
<u>20,000</u>	Motueka Promotions Association	<u>20,000</u>
<u>20,000</u>		<u>20,000</u>

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

b) Guarantee – New Zealand Local Government Funding Agency Limited

Tasman District Council is a shareholder of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AA+.

Tasman District Council is one of 19 shareholders of the NZLGFA. In that regard it has uncalled capital of \$2m. When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified. Also, together with the other shareholders, Tasman District Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2012, NZLGFA had borrowings totaling \$835m (2011: \$Nil).

Financial reporting standards require Tasman District Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

c) Other Contingent Liabilities

Council has contingent liabilities of \$Nil (30 June 2011 \$Nil). Council has no contingent claims against other parties (30 June 2011 Nil).

Six active claims have been lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2012. These claims relate to weather tightness issues of homes in the Tasman district and name Tasman District Council as well as other parties. It is not certain whether all of these claims are valid. Council is unable to assess its exposure to the claims lodged with the WHRS and has not allowed for any contingent liabilities relating to this. Riskpool from 1 July 2009 is no longer providing coverage for leaky homes. Council has provided for nil contingent liability claim in 2011 (2011: Nil).

Council is a signatory to the Government's leaky homes package, which may expose Council to up to 25% of any settlement costs.

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

Council is aware of two claims brought against Council. One is yet to proceed to trial and it is too early to estimate the outcome and effect on Council.

The second claim relates to an Environment Court ruling against Council, however no decision on final costs has been made. Council's maximum exposure to this second claim is approximately \$580,000, of which \$189,000 has already been paid.

Council is also aware of one pending claim regarding a subdivision and building consent. Any liability for this claim will be covered by Riskpool (Council would be liable for the \$10,000 excess).

d) Other Contingent Assets

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

For the flood events that occurred in December 2010 and December 2011, Council is able to recover a portion of its costs from a number of sources, including insurance, New Zealand Transport Agency subsidies and Central Government subsidies. For the December 2011 event, Council has recognised a Central Government subsidy for the welfare claim only for the event. An insurance claim, and Ministry of Civil Defence and Emergency Management claim are currently in the process of being prepared. Council expects that it is probable that these claims will be accepted.

An insurance claim was submitted relating to an Environment Court ruling against Council, and was rejected. Council has received legal advice that the claim appears valid, and have notified their insurer and resubmitted the claim. At this stage, Council is awaiting the outcome of the resubmitted claim, and the quantum of any insurance proceeds, if any.

e) Associates Contingent Liabilities and Contingent Assets

Port Nelson reviews its Noise Liability provision each year as the mitigation work is undertaken. The year end provision balance of \$603,000 is for Stages One, Two and now also includes Stage Three. Under the Noise Variation which is now operative, Port Nelson has an obligation to Stage Three property owners to provide technical advice, where requested, and to consider providing financial assistance for mitigation works (up to 50 percent of costs). The decision on whether to provide financial assistance will be based on a recommendation made to Port Nelson by the Port Noise Liaison Committee on a case by case basis. Port Nelson has now quantified the costs of this obligation as at 30 June 2012.

The Noise Variation within the Nelson City Resource Management Plan was notified with effect on 14 July 2008 and was adopted by the Nelson City Council on the 23rd February 2012. Port Nelson has an obligation to assist with noise mitigation works for noise affected properties adjacent to the Port. These properties are separated into three stages based on the level of Port Noise received. In Stage One (these are houses that are exposed to night time Ldn from port generated noise of 65 dBa or more) Port Nelson is required to make offers to either fully fund noise mitigation work or to purchase the eleven Stage One properties and at 30 June 2012 nine of these eleven properties have had this obligation met. For the properties in the 55 to 59.9 dBa and 60 to 64.9 dBa areas (Stage Two), offers have been made by Port Nelson to owners in these areas to cover 50 percent of the noise mitigation cost. There is no offer for the purchase of these properties required. For properties in Stage Two Port Nelson is required to approach all owners with this offer. For properties in the 55 to 59.9 dBa area (Stage Three) the owners are required to approach Port Nelson and seek approval for this. Offers will include 50 percent of the costs of building work, any professional fees, building consents, preparation of drawings and project management.

Council controls 50% in Tasman Bays Heritage Trust via its ability to appoint the Trustees. The Trust has no contingent liabilities (2011 – Nil). Contingent asset – In 2011, The Trust received a Feathered Cloak, Musical Instruments and a Diary. During 2012, values for the Musical Instruments and Diary cannot be reliably determined.

**Tasman District Council
Notes to the Financial Statements
For the year ended 30 June 2012**

2010/11 Note 1	2011/12
\$(000's) RATES REVENUE	\$(000's)
27,835 General Rates	29,985
Targeted rates attributable to activities	
322 Environmental education, advocacy and operations	318
6 Land Transportation	6
2,346 Stormwater	2,589
1,809 Solid Waste	1,996
5,860 Water	6,488
8,283 Wastewater	8,332
3,241 Community Facilities	3,524
132 Coastal Structures	132
334 Governance	332
2,313 Rivers	2,801
24,646	26,518
52,481	56,503
52,620 Total rates revenue	56,687
(139) Rates remissions	(184)
52,481 Rates revenue net of remissions	56,503

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

In accordance with Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of wastewater, water, refuse and sanitation. Non rateable land does not constitute a remission under Council's rates remission policy.

2010/11 Note 2		2011/12
\$(000's) OTHER REVENUE		\$(000's)
7,763	NZ Transport Agency government grants	10,772
136	Rental income from investment properties	239
81	Infringements & fines	88
662	Government subsidies	1,626
345	Petrol tax	327
0	Dividend income	0
2,899	Development contributions	3,421
1,779	Reserve Financial Contributions	1,368
427	Forestry Harvesting Income	2,435
4,943	Sales	5,049
9,917	Vested Assets	1,768
2,868	Application Fees	2,943
3,810	Sundry Fees & Recoveries	3,390
4,902	Other	4,927
40,532		38,353

There are no unfulfilled conditions and other contingencies attached to the New Zealand Transport Agency government grants recognised

2010/11	Note 3	2011/12
\$(000's)	OTHER GAINS	\$(000's)
68	Gain on disposal of property plant and equipment	26
937	Gain on changes in fair value of forestry assets	0
1,005		26

2010/11	OTHER LOSSES	2011/12
\$(000's)		\$(000's)
(60)	Loss on changes in fair value of investment property	(475)
(1,610)	Unrealised loss on Interest Rate Derivatives	(5,061)
-	Loss on changes in fair value of forestry assets	(211)
(996)	Loss on disposal of property plant and equipment	(36)
-	Revaluation decrease greater than revaluation reserve	(519)
(2,666)		(6,302)

2010/11 Note 4	2011/12
\$(000's) EXPENDITURE	\$(000's)
7,372 Finance Costs	7,634
14,815 Employee Benefit Expenses	15,739
17,702 Depreciation	18,606
46,177 Other Expenses	50,898
2,666 Other Losses	6,302
2,911 Expenditure of joint venture	3,320
91,643	102,499

2010/11 Note 5	2011/12
\$(000's) EMPLOYEE BENEFIT EXPENSES	\$(000's)
14,095 Salary & Wages	14,940
578 Defined Contribution plan employer contributions	619
142 Increase/(Decrease) in employee benefit liabilities	180
14,815	15,739

2010/11 Note 6	2011/12
\$(000's) OTHER EXPENSES	\$(000's)
1 Bad debts written off	17
116 Movement in Bad Debts Provision	14
95 Audit fees - Annual Report	98
3 Audit fees - Other	3
0 Audit fees - LTP	81
11 Donations	8
226 Minimum lease payments under operating leases	228
8,407 Consultants	9,480
20,763 Contractors/Maintenance	24,619
16,555 Other Expenses	16,350
46,177	50,898

2010/11 Note 7	2011/12
\$(000's) FINANCE COSTS	\$(000's)
Interest expense	
7,444 Interest on bank borrowings	7,358
(72) Provisions: discount unwinding	276
- Provisions: Fair value discount addition	-
<u>7,372</u> Total finance costs	<u>7,634</u>

\$(000's) FINANCE INCOME	\$(000's)
Interest Income	
457 Interest income for financial assets not at fair value through surplus or deficit	317
<u>457</u> Total finance income	<u>317</u>

2010/11 Note 8	2011/12
\$(000's) TAX	\$(000's)
Relationship between tax expense & accounting profit	
9,368 Net surplus	1,570
2,810 Prima facie tax at 28% (2011: 30%)	440
(2,960) Non deductible expenditure	(673)
0 Loss not previously recognised (tax effect)	-
134 Tax loss not recognised	220
- Share of associates net surpluses (tax effect)	-
16 Deferred tax adjustment	13
- Tax loss benefit not previously recognised	-
<u>-</u> Tax expense	<u>-</u>

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

Deferred tax assets/(liabilities)	Property, plant & equipment	Tax losses	Total
Balance at 1 July 2010	(533)	533	-
Charged to surplus or deficit	95	(95)	-
Charged to comprehensive income	-	-	-
Balance at 1 July 2011	<u>(438)</u>	<u>438</u>	<u>-</u>
Charged to surplus or deficit	(25)	25	-
Charged to comprehensive income	(327)	327	-
Balance at 1 July 2012	<u>(790)</u>	<u>790</u>	<u>-</u>

A deferred tax asset has not been recognised in relation to unused tax losses of \$6,114,105 (2011: \$6,301,022) with a tax effect at 28% of \$1,711,949 (2011: \$1,764,286) which are available to carry forward.

2010/11 Note 9	2011/12
\$(000's) CASH AND CASH EQUIVALENTS	\$(000's)
5,813 Cash at bank and in hand	3,870
- Short term deposits maturing three months or less from date of acquisition	-
<u>5,813</u> Total cash and cash equivalents	<u>3,870</u>
Disclosed as:	
5,813 Cash and Cash Equivalents	3,870
- Bank overdrafts	-
<u>5,813</u>	<u>3,870</u>

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

2010/11 Note 10	2011/12
\$(000's) TRADE & OTHER RECEIVABLES	\$(000's)
1,402 Rates receivables	1,860
11,158 Other receivables	12,430
2,373 Prepayments	135
<u>95</u> Term Receivables (At fair value)	<u>62</u>
<u>15,028</u>	<u>14,487</u>
<u>(502)</u> Less provision for doubtful debts	<u>(519)</u>
<u><u>14,526</u></u>	<u><u>13,968</u></u>
Comprising	
14,431 Current portion	13,906
<u>95</u> Non Current	<u>62</u>
<u><u>14,526</u></u> Total Trade & Other Receivables	<u><u>13,968</u></u>

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

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

The status of other receivables as at 30 June 2012 and 2011 are detailed as below:

	2012		
	Gross	Impairment	Net
	\$(000's)	\$(000's)	\$(000's)
Current	6,594	-	6,594
30-60 days	361	-	361
61-90 days	135	-	135
90+days	5,340	(519)	4,821
	<u>12,430</u>	<u>(519)</u>	<u>11,911</u>

	2011		
	Gross	Impairment	Net
	\$(000's)	\$(000's)	\$(000's)
Current	6,432	-	6,432
30-60 days	281	-	281
61-90 days	251	-	251
90+days	4,194	(502)	3,692
	<u>11,158</u>	<u>(502)</u>	<u>10,656</u>

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

2010/11 \$(000's)	2011/12 \$(000's)
378 At 1 July	502
124 Additional provisions made during the year	63
- Recoverables received or written off during period	<u>(46)</u>
<u>502 At 30 June</u>	<u>519</u>

2010/11 Note 11 \$(000's) DERIVATIVE FINANCIAL INSTRUMENTS	2011/12 \$(000's)
<u>(2,317) Interest Rate Swaps</u>	<u>(7,416)</u>
<u>(2,317) Total derivative financial instruments</u>	<u>(7,416)</u>

Fair Value

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

Interest Rate Swaps

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$114.78m (2011: \$106.78m.) At 30 June 2012, the fixed interest rates of cash flow hedge interest rate swaps vary from 2.77% to 5.895% .

Unrealised gains and losses recognised on interest rate swap contracts as at 30 June 2012 are released to the surplus or deficit as interest is paid on the underlying debt.

2010/11 Note 12

2011/12

\$(000's) OTHER FINANCIAL ASSETS

\$(000's)

Current Portion

Loans and receivables

176 Current portion of community loans 179

Held to maturity

2,012 Disaster funds 2,904

851 Self Insurance Fund 903

1,575 Other short term deposits with maturities of 4-12 months 1,584

4,614 Total Current Portion 5,570

Non-current portion

Loans and receivables

528 Community Loans 438

1,111 Loans to Related Parties 1,200

Fair value through comprehensive income

65 Shares - NZ LG Insurance 77

- Shares - NZ LG Funding Agency 2,000

Borrower Notes - NZ LG Funding Agency 257

Held to maturity

280 Monies administered for organisations 337

1,984 4,309

The fair value of the shares in the New Zealand Local Government Insurance Corporation Limited have been determined by calculating Tasman District Council's share of total equity based on shares held.

There were no impairment provisions for other financial assets.

The total value of other financial assets that can only be used for a specific purpose is \$4,144,000 (2011: \$3,143,000).

The loan to related parties is at a nil interest rate. (2011: Nil)

Interest rates receivable on community loans range from nil to 7.97%, with an average rate of 6.49% (2011: 5.94%)

2010/11 Note 13

2011/12

\$(000's) PROPERTY HELD FOR RESALE

\$(000's)

- Buildings -

- Land 1,000

- 1,000

Note 14 Property, plant and equipment

2012	Cost / Revaluation 1 July 2011 \$(000's)	Acc Depn & Impairment 1 July 2011 \$(000's)	*NBV 1 July 2011 \$(000's)	Current Year Additions \$(000's)	Current Year Disposal \$(000's)	Current Year Impairment \$(000's)	Current Year Depreciation \$(000's)	Revaluation Surplus \$(000's)	Cost / Revaluation 30 June 2012 \$(000's)	Acc Depn & Impairment 30 June 2012 \$(000's)	*NBV 30 June 2012 \$(000's)
Fixed Assets											
Land	115,995	-	115,995	2,184	(1,000)	-	-	-	117,179	-	117,179
Buildings	57,712	(2,918)	54,794	3,348	-	-	(3,084)	13	61,073	(6,002)	55,071
Furniture and Fittings	2,808	(2,240)	568	268	-	-	(200)	-	3,076	(2,440)	636
Motor Vehicles	3,049	(2,487)	562	88	(16)	-	(161)	-	3,121	(2,648)	473
Plant	2,462	(1,217)	1,245	114	(2)	-	(159)	13	2,587	(1,376)	1,211
Office Equipment	5,379	(4,680)	699	277	-	-	(238)	-	5,656	(4,918)	738
Library Books	5,200	(4,153)	1,047	294	-	-	(256)	-	5,494	(4,409)	1,085
Heritage Assets	1,814	(318)	1,496	5	-	-	(36)	-	1,819	(354)	1,465
Finance Lease	58	(47)	11	-	-	-	(4)	-	58	(51)	7
	194,477	(18,060)	176,417	6,578	(1,018)	-	(4,138)	26	200,063	(22,198)	177,865
Infrastructural Assets											
Roading	463,626	(7,239)	456,387	14,019	-	(2,225)	(6,463)	-	475,420	(13,702)	461,718
Bridges	65,416	(1,580)	63,836	1,750	(34)	-	(1,291)	-	67,132	(2,871)	64,261
Land Under Roads	65,052	-	65,052	355	-	-	-	-	65,407	-	65,407
Stormwater	98,094	(2,119)	95,975	1,817	-	(23)	(1,094)	16,824	113,499	-	113,499
Wastewater	109,563	(4,129)	105,434	7,358	(77)	(57)	(2,637)	22,195	132,216	-	132,216
Refuse	7,292	(326)	6,966	1,862	-	-	(276)	(1,164)	7,388	-	7,388
Water	96,472	(4,548)	91,924	3,174	-	(44)	(2,298)	3,286	96,042	-	96,042
Rivers	39,293	(40)	39,253	1,705	-	-	(20)	1,848	42,786	-	42,786
Ports & Wharves	13,372	(603)	12,769	329	(41)	-	(320)	1,471	14,208	-	14,208
Aerodromes	1,317	(288)	1,029	6	-	-	(69)	-	1,323	(357)	966
	959,497	(20,872)	938,625	32,375	(152)	(2,349)	(14,468)	44,460	1,015,421	(16,930)	998,491
Total											
Fixed Assets	194,477	(18,060)	176,417	6,578	(1,018)	-	(4,138)	26	200,063	(22,198)	177,865
Infrastructure Assets	959,497	(20,872)	938,625	32,375	(152)	(2,349)	(14,468)	44,460	1,015,421	(16,930)	998,491
	1,153,974	(38,932)	1,115,042	38,953	(1,170)	(2,349)	(18,606)	44,486	1,215,484	(39,128)	1,176,356

* NBV - Net Book value

Included in current year additions is work in progress of \$11,458,000. These assets have not been depreciated.

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

* NBV - Net Book value

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

Valuation

Land (operational, restricted, and infrastructural)

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

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

Buildings (operational and restricted)

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

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

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

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

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

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

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over- or underestimating the annual depreciation charge recognised as an expense in the statement of comprehensive income. To minimise this risk, infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provides further assurance over useful life estimates.

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

Wastewater, solid waste, water supply, stormwater, ports and wharves, and river protection assets have been valued at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2012.

Land under roads

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

Library collections

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

Airfields

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

Impairment

Council assets were damaged during flood events in December 2010 and December 2011. Impairment losses of \$2,349,000 have been recognised in Other Comprehensive Income in the Statement of Comprehensive Income. (2011: \$650,000). For further details refer Note 38.

Note 15				
INTANGIBLE ASSETS				
	2010/11		Amortisation	2011/12
	\$(000's)	Additions	charge	\$(000's)
Computer Software				
Cost	2,402	323		2,725
Accumulated amortisation and impairment	(1,461)		(312)	(1,773)
Carrying amount	941	323	(312)	952

Council has received 114,005 NZUs in April 2012 for their Post-1989 forest. These have been valued at cost (\$Nil). The Pre-1990 are currently with MAF awaiting a preliminary determination.

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

Note 16

FORESTRY ASSETS

2010/11		2011/12
\$(000's)		\$(000's)
17,804	Balance at 1 July	18,740
770	Gains/(losses) arising from changes in fair value attributable to log price changes	(901)
4,426	Gains/(losses) arising from changes in fair value attributable to loss of stocked area to harvesting and replanting and forest maturity	150
(4,260)	Gains/(losses) arising from changes in fair value attributable to tending and harvest management costs	546
<u>18,740</u>		<u>18,535</u>

TDC owns 2,478 hectares of planted pinus radiata forest, which are at varying stages of maturity ranging from 1 to 26 years. TDC also owns 222 hectares of planted Douglas Fir, and 33 hectares of planted Cupressus Species trees.

Harvesting was centred at Rabbit Island forest, and Borlase forest. Total harvested volume during the period was 25,742 tonnes. (2011: 4,338 tonnes harvested at Rabbit Island and Eves Valley forests)

Independent registered valuers PF Olsen and Company Ltd have valued forestry assets as at 30 June 2012. The following valuation assumptions have been adopted in determining the fair value of forestry assets:

A post-tax discount rate of 7% has been used in discounting the present value of expected post-tax cash flows. (2011: A post-tax discount rate of 7% was used)

Notional land rental costs have been included for freehold land

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

All costs and revenues are expressed in current dollar terms.

Log prices represent the average for the last 12 quarters to 30 June 2012

Financial risk management strategies

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

Sensitivity of Value to Changes in Log Prices and Discount Rate (\$millions)

Discount Rate	+10%	Price Base	-10%
6%	18.438	24.112	29.785
7%	15.552	18.535	25.166
8%	13.263	17.382	21.498

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

2010/11 Note 17

2011/12

\$(000's) INVESTMENT PROPERTY

\$(000's)

1,790	Balance at 1 July	1,730
0	Purchase of investment property	2,005
(60)	Gain on changes in fair value of investment property	(475)
<u>1,730</u>	Balance at 30 June	<u>3,260</u>

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

Note 18 INVESTMENT IN ASSOCIATES	2010/11 Opening Book Value (\$000's)	2011/12 Share of Surplus (\$000's)	2011/12 Dividend Received (\$000's)	2011/12 Other Comprehensive Income (\$000's)	2011/12 Share Purchase (\$000's)	2011/12 Closing Book Value (\$000's)
Port Nelson Ltd	68,377	5,183	(6,100)	(521)	-	66,939
Nelson Airport Ltd	6,754	882	(413)	-	-	7,223
Tourism Tasman Nelson Ltd	20	(5)	-	-	25	40
Tasman Bays Heritage Trust Inc	8,287	69	-	371	-	8,727
	<u>83,438</u>	<u>6,129</u>	<u>(6,513)</u>	<u>(150)</u>	<u>25</u>	<u>82,929</u>

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

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

2010/11	2011/12
\$(000's)	\$(000's)
1,683 Capital Commitments	4
- Contingent Liabilities	-
- Contingent Assets	-
5,907 Operating Surpluses after tax	6,129
516 Other comprehensive income	(150)
1,981 Tax expense attributed to the operating surplus	1,031

Differences in Accounting Policies

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

Assets

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

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

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

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

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

List of Associates

Name of Entity:	i) Port Nelson Ltd	iii) Tourism Nelson Tasman Ltd
Principal Activity:	Port Operator	Tourism Promotion
Ownership:	50% (2011 50%)	50% (2011 50%)
Owner:	Nelson City Council and Tasman District Council	Nelson City Council and Tasman District Council
Control:	Self administered	Self administered
Balance Date:	30 June	30 June
Name of Entity:	ii) Nelson Airport Ltd	iv) Tasman Bays Heritage Trust Inc
Principal Activity:	Airport Operator	Museum Operator.
Ownership:	50% (2011 50%)	50% (2011 50%)
Owner:	Nelson City Council and Tasman District Council	Nelson City Council and Tasman District Council
Control:	Self administered	Self administered
Balance Date:	30 June	30 June

Performance Measures

i) Port Nelson Ltd

	Target	2012	2011	2010	Target Met?
Lost Time Injury Frequency Rate *	<1.5	2.5	3.9	2.8	No
Debt Equity Ratio	<45.0%	29.8%	28.4%	27.1%	Yes
Dividend (includes 2005 Dividend Reserve)	\$4.2m	\$12.2m	\$4.2m	\$4.1m	Yes
Cargo Throughput (Cargo tonnes)	2.79m	2.65m	2.71m	2.72m	No
Shipping Tonnes (Gross tonnes)	8.2m	6.9m	7.8m	8.2m	No
Ships Visits	864	732	849	841	No
Revenue	\$39.5m	38.8m	38.3m	38.0m	No
Return on average Shareholders Funds**	6.0%	7.7%	4.9%	2.6%	Yes
Return on Funds Employed	9.0%	8.3%	7.3%	7.2%	No
Capital Expenditure	<\$3.6m	\$3.3m	\$10.3m	\$4.1m	Yes
Incidents Leading to Pollution of Harbour	NIL	3	NIL	NIL	No
Compliance With All Resource Consent Conditions	FULL	FULL	FULL	FULL	Yes
Compliance with NZ Maritime Safety Standards	FULL	FULL	FULL	FULL	Yes

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

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

ii) Nelson Airport Ltd

Target Measure	Actual Performance
To pass all Civil Aviation certification audits at a satisfactory standard	All Audits were passed with no findings. The continuous improvement model was achieved.
To achieve Financial Performance Targets as represented in annual plan.	Income and Expenditure targets were met.
To hold regular meetings of the Nelson Airport Noise Environment Advisory Committee and provide this Committee with the appropriate monitoring information.	Regular meetings of the Nelson Airport Noise Environment Advisory Committee have been held and appropriate monitoring information has been recorded and provided.
To ensure the Company complies with all Employment related legislation.	The company continues to monitor employment legislation and reviews its contracts accordingly. No breaches have been identified.
To ensure long term airport development requirements are identified as much as possible and advise shareholders of such plans and that an implementation timetable is developed.	A 5 year projection of major development and maintenance expectations has been provided to shareholders.
To continue to support the expansion of the aviation service industry in Nelson through the Nelson Aviation Cluster and the Top of the South Aviation Strategy (TOTS).	Full participation in TOTS opportunity identification and Strategic planning is continuing.
To complete a long term development plan for the airport by April 2011.	The Master Plan 2011 – 2030 has been finalised and published on the Company's web site.
To take positive steps to record and reduce our carbon footprint.	Nelson Airport Ltd measures and records carbon emissions utilising Carbon Conscious structure and has made positive steps in a number of areas towards reducing carbon emissions.
To redesign terminal traffic access in a manner that takes account of and reduces both security and safety issues by October 2010	A long term strategy and plan for terminal access has been developed and stages towards implementation have been identified.
To complete the company's Strategic Plan by September 2010	The Strategic Plan has been completed and will be published on the Company's web site once audited financial data is available for the year ended 30 June 12.
To review emergency preparedness for customer safety and infrastructure assets.	Continued monitoring is undertaken by Operations Support.
To work with Nelson Golf Club towards resolving their issues of water storage and practice range location for mutual benefit of both parties.	Regular meetings between management and Golf Club officials held. Practice range relocation dependent upon General Aviation activity extension.

iii) Tourism Nelson Tasman Ltd

The 2011/12 Strategic Plan contained 25 Objectives/KPIs. Council has reported against five.

Target Measure	Actual Performance
To increase the tourism sector investment in destination marketing by 3% annually.	<p>Total tourism sector direct investment in Nelson Tasman Tourism programmes for 2011/2012 increased from \$355,500 to \$446,500, an increase of 20.4%. A good result in a challenging environment. Achieved</p> <p>The increase is mainly due:</p> <ul style="list-style-type: none"> • improved communication and profile the organisation has re-established with industry • in-house production of the 2011-2012 Nelson Tasman Trade & Convention Planner • membership of the Convention and International marketing groups • increased brochure display advertising <p>International Marketing Group (IMG) net gain of 2 new members: Achieved</p> <ul style="list-style-type: none"> • Owen River Lodge, Warwick House

	<p>Convention Marketing Group (CMG) net gain of 2 new members: Achieved</p> <ul style="list-style-type: none"> Palazzo Motor Lodge, Saxton Lodge
To improve the reputation of Nelson Tasman as a visitor friendly destination.	<p>80% rate-payers surveyed value tourism and agree NTT is a visitor friendly destination.</p> <p>No tourism questions were included in the Nelson City Council 2012 rate-payers survey.</p> <p>Tasman District Council did include a tourism question with a result 87% supporting Council's tourism investment (2011: no results).</p>
To operate within the budgets agreed with the shareholders.	<p>Statement of Comprehensive Income shows a loss of (\$10,277) (2011: \$26,906) against a budgeted profit of \$39,496 (2011: \$33,289)</p>
The company operates as an environmentally responsible and sustainable business.	<p>The company continues to operate as an environmentally responsible and sustainable business by ensuring energy efficiency is maintained with regular servicing and maintenance of equipment, air-conditioning and lighting. Waste minimisation is enhanced with recycling of brochures, bokashi buckets for food waste and environmentally certified cleaning products.</p> <p>A review with the purpose of simplifying our sustainability action plan will be undertaken in 2012/2013 financial year.</p>
Ensure the company operates within sound financial parameters.	<p>Net profit exceeds budget by 2% - Not Achieved Statement of Comprehensive Income shows a loss of -\$10,277 (2011: \$26,906) against a budgeted profit of \$39,496 (2011: \$33,289)</p> <p>Improve working capital by at least \$50,000 per annum - Achieved</p> <p>Achieve equity level of \$150,000 by June 2013 – Work in progress</p>

iv) Tasman Bays Heritage Trust Inc

Performance Measures

The 2011/12 Strategic Plan contained 16 Objectives/KPIs. Council has reported against five.

Performance Target	Result
<p>Transfer objects stored in unstable environmental conditions, containers and at Founders Historic Park, to improved storage. Report quarterly on progress</p>	<p>Chief Executive reports monthly to the Trust Board (i) Founders Historic Park identified that material in their own archive needed to be transferred to the Museum, as being a more appropriate repository. 500 items have been identified by Museum staff as being significant to include in the Museum's Collection. Each item has been processed individually. (ii) there remain a significant number of objects [possibly over 200] from the Museum's own collection stored at Founders that need to be brought back under the control of the Museum. They were transferred to Founders in 1985 for storage and possible display but the conditions of the loan have proved to be beyond their resources. Records lack sufficient detail for further reporting at this stage. (iii) objects stored in containers on site at the Research Facility will be moved to Elms St storage; (iv) for (ii) and (iii) to progress additional shelving is required in the Elms Street storage space.</p>
<p>Within available budgets enhance the facilities at the Isel Park Research Facility for staff, volunteers, researchers, and visitors.</p>	<p>(i) Conditions have been improved by rearranging facilities and redecorating the Reception, Photographic Research area, and Library foyer. (iii) There have been some changes made to both toilet facilities, they are now unisex. (iv) Facilities in the Research Library have been rearranged to maximize space available for research visitors and volunteers, bring the microfilm reader and films downstairs into one area, making library resources more easily accessed. The microfilm reader is to be replaced.</p>
<p>Deliver a forward programme including both internally produced and externally sourced exhibitions that seeks to meet the needs and interests of a broad audience, aligned with the Exhibition policy.</p>	<p>(i) 'Anne Frank' and 'Extraordinary Frontiers' sit at opposite ends of the size/cost spectrum but both secured excellent community support and have attracted a solid response from the visiting public; (ii) The exhibition celebrating the 90th Anniversary of the Cawthron Institute was largely funded by the Institute and much content for the exhibition came from the scientists themselves. The exhibition was curated by the Cawthron Community Educator and designed by Sally Papps. More than 200 objects and loans feature in the exhibition. It was built and installed by Museum Technicians and contracted staff but involved all staff from the Research Facility. The public response has been very positive and strong school bookings in the first half of the 2012 school year. (iii) the 'Hats' exhibition developed by the Education team and staged in the Education area attracted a strong response from junior classes; (iv) the window and foyer displays presented for the 'Rugby World Cup' were extremely successful in providing a cost effective display over that time period and the retail components sourced for that period were a notable success involving a turnover of in excess of \$10,000 in one quarter. In addition our large pukaea was used to signal the start of the games played here in Nelson and we contributed images that were used in the hugely popular Pikimai lighting display. (v) the Bamiyan exhibition was opened in time for Anzac Day and early Opening attracted 225 visitors in that one day – a fitting result.</p>

<p>Prepare a report on the logistics and finances for touring exhibitions, eg. 'Butterflies' and 'Appo Hocton'.</p>	<p>(i) the report has been completed and the overall conclusion is that in order to make exhibitions available to other venues we would need to invest significantly more into the original development and build than we currently have the ability to resource.;</p> <p>(ii) small exhibitions such as 'Butterflies Returning' and 'Crete', and components of larger exhibitions such as the cabin area of Port Nelson Haven Ahoy!, have been moved to other venues but not at huge financial return;</p> <p>(iii) we have offered 'Appo Hocton' and 'Crete' but neither has attracted a response;</p> <p>(iv) we do tend to develop smaller exhibitions with a strong regional focus rather than with a wider subject focus.</p>
<p>Provide education opportunities to regional school students to support their NZ Curriculum studies based on our exhibitions and resources. A target of at least 5000 students.</p>	<p>(i) in the 2011-12 financial year we provided education programmes to 7,176 students from the region;</p> <p>(ii) all exhibitions were used by classes and in addition we took a 'Periodic Table' display to regional high schools and provided a programme for 600 secondary students we would not otherwise have attracted;</p>

Note 19

INTEREST IN JOINT VENTURE

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

Financial performance

	2011/12 \$(000's)		
	NRSBU	NTCCDO	TOTAL
Net Income	2,584	157	2,741
Net Expenditure	3,116	204	3,320
Net surplus/(deficit)	(532)	(47)	(579)
Includes:			
Depreciation	949	24	973

Financial Position

The Council's share of assets and liabilities proportionately consolidated is:

	2011/12 \$(000's)		
	NRSBU	NTCCDO	TOTAL
Current Assets			
Cash at Bank	38	144	182
Receivables	29	18	47
	67	162	229
Non Current Assets			
Infrastructure-Wastewater	27,844	-	27,844
Forestry	5		5
Freehold Land	1,085		1,085
Buildings	118	1	119
Motor Vehicles		18	18
Plant & Equipment	16	22	38
Office Furniture and Equipment		49	49
	29,068	90	29,158
Current Liabilities			
Trade Creditors	1,015	2	1,017
Current Portion of Term Loans	-		-
	1,015	2	1,017
Non Current Liabilities			
Term Loans	8,525	-	8,525
Derivative Financial Instruments	38	-	38
Net Assets contributed by the Joint Venture	19,557	250	19,807

Comparative figures for 2010/11 are as follows:

Financial performance

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

Financial Position

	2010/11 \$(000's)		
	NRSBU	NTCCDO	TOTAL
The Council's share of assets and liabilities proportionately consolidated is:			
Current Assets			
Cash at Bank	47	47	94
Receivables	164	-	164
	211	47	258
Non Current Assets			
Infrastructure-Wastewater	22,906		22,906
Forestry	-	-	0
Freehold Land	1,085	-	1,085
Buildings	115	-	115
Motor Vehicles	-	25	25
Plant & Equipment	11	18	29
Office Furniture and Equipment	-	54	54
	24,117	97	24,214
Current Liabilities			
Trade Creditors	1,658	1	1,659
Current Portion of Term Loans	-	-	-
	1,658	1	1,659
Non Current Liabilities			
Term Loans	6,500	-	6,500
Net Assets contributed by the Joint Venture	16,170	143	16,313

2010/11 Note 20	2011/12
\$(000's) TRADE AND OTHER PAYABLE	\$(000's)
8,578 Trade creditors	7,580
2,892 Sundry accruals	3,170
1,480 Sundry deposits	1,365
2,641 Other	1,853
15,591	13,968
Comprising:	
15,591 Current	13,968
- Non-current	-
15,591 Total trade and other payables	13,968

2010/11 Note 21	2011/12
\$(000's) PROVISIONS	\$(000's)
Term	Term
553 Opening Balance	587
0 Change in provision	340
34 Unwinding of discount	47
587	974

Provision for landfill aftercare costs

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

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

- The estimated remaining life is 41 years for the Eves Valley landfill. The remaining life for Stage Two has been reassessed and Stage Two is now estimated to be closed in 2017. The provision has been adjusted for the latest estimated capping and monitoring costs.
- Council reassessed the estimated remaining life for the Murchison Landfill in the 2007/2008 financial year. It was decided that it was uneconomic to continue operating the Murchison Landfill and it ceased operations in that financial year. A transfer station was constructed at Murchison.
- Estimates of the life have been made by TDC's engineers based on historical volume information.

The cash outflows for landfill post-closure are expected to occur for 40 years after each site has been decommissioned. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a discount rate of 8% for Murchison [2011: 8%] and 8% for Eves Valley [2011: 8%].

The gross provision before discounting is \$2,834,380. (2011: \$3,888,612)

Note 22**EMPLOYEE BENEFIT LIABILITIES**

2010/11 \$(000's)		2011/12 \$(000's)
551	Accrued pay	575
930	Annual leave	1,047
435	Long service leave	447
318	Retirement gratuities	345
50	Sick leave	50
<u>2,284</u>	Total employee benefit liabilities	<u>2,464</u>
	Comprising:	
1,654	Current	1,853
630	Non-current	611
<u>2,284</u>	Total employee benefit liabilities	<u>2,464</u>

2010/11 \$(000's)	2010/11 Note 23 \$(000's) BORROWINGS	2011/12 \$(000's)	2011/12 \$(000's)
	a) Security		
	All loans are secured by rates over the rateable properties of the Tasman District Council designated area except the investment property building which is secured by rent.		
		Term	Current
		83,402	49,673
	Tasman District Council	143,545	5,558
	- Joint Venture	6,500	-
	4 Finance Lease	4	5
		<u>150,049</u>	<u>5,563</u>

Tasman District Council also has two Multi Option Credit Line Facilities with limits of \$38,476,000 (expiring 31 August 2015), and \$20,000,000 (expiring 31 August 2016) .

b) Refinancing

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

c) Interest Rates

Interest rates payable range from 3.28% to 8.15% (2011: 3.03% to 8.38%)with an average rate of 5.20% (2011: 5.44%)

TDC 2010/11 \$(000's)	JV 2010/11 \$(000's)	d) Repayable Period of Loans	TDC 2011/12 \$(000's)	JV 2011/12 \$(000's)
49,673	-	Repayable: Within 1 year	5,558	-
56,060	-	Within 1-2 years	125,520	-
27,342	6,500	Within 2-5 years	16,000	8,525
83,402	6,500	Non Current Portion	141,520	8,525
133,075	6,500	Total Loans	147,078	8,525

The majority of Council's borrowings span over a 20 year term. However, the longest period that the banks will lend fixed term loans for is 5 years. Under NZ IFRS Council must disclose the actual loans repayable during the above periods even if the loans may be "rolled over". However, if the entity expects, and has the discretion, to refinance and roll over these loans, then it can classify the obligation as non-current. TDC currently has three facility agreements in place (with sufficient limits) which we believe allow us to roll over those loans for those banks, at our discretion. However, we do not have a current facility in place with one other bank that we lend from and, therefore, any loans due for "roll over" next year under this facility must be shown as the current portion of term loans. Therefore, the current portion of term loans disclosed is lower than what we physically intend repaying in the 2012/2013 financial year. (The amount of principal to be repaid as signalled in our LTP for 2012/2013 is \$10.639m).

2010/11 e) Finance Lease \$(000's)	Repayable:	2011/12 \$(000's)
4	Within 1 year	5
4	Within 1-2 years	4
4	Within 2-5 years	-
<u>8</u>		<u>4</u>
<u>12</u>	Total Finance Leases	<u>9</u>

2010/11 \$(000's)	Note 24 REVALUATION RESERVE	Inc (Dec) \$(000's)	Transfer to Accumulated Equity \$(000's)	2011/12 \$(000's)
46,203	Port Nelson Limited	(17)	-	46,186
7,820	Nelson Regional Sewerage Business Unit	3,483	-	11,303
3,001	Nelson Airport Limited	-	-	3,001
38	NZ Local Government Insurance Corporation	(22)	-	16
1,452	Tasman Bay Heritage Trust	-	-	1,452
77,997	Land	-	-	77,997
14,367	Buildings	-	-	14,367
302,331	Roads	(2,225)	(16)	300,090
151	Aerodromes	-	-	151
7,859	Rivers	1,846	-	9,705
3,354	Coastal Structures	1,471	-	4,825
645	Refuse	(645)	-	0
25,361	Wastewater	18,681	-	44,042
54,617	Stormwater	16,801	-	71,418
40,259	Water	3,242	-	43,501
585,455		42,615	(16)	628,054

2010/11 Note 25

\$(000's) ACCUMULATED EQUITY

477,433 **Opening balance**

9,368 Surplus

(3,137) Transfers to reserves

Transfers from

1,240 Revaluation reserve on disposal of property

2,532 Reserves

516 Share of Other Comprehensive Income - Associates

0 Equity Restatement - JV

487,952

2011/12

\$(000's)

487,952

1,570

(5,882)

16

2,845

(150)

(182)

486,169

2010/11 Note 26	2011/12
\$(000's) RESERVE FUNDS	\$(000's)
12,450 Opening balance	13,055
Transfers to:	
(2,532) Accumulated funds	(2,845)
Transfers from:	
3,137 Accumulated funds	5,882
<u>13,055</u> Closing Balance	<u>16,092</u>
Restricted Funds consist of	
<u>13,055</u> Other funds	<u>16,092</u>
<u>13,055</u>	<u>16,092</u>

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

2010/11 Note 27	2011/12
\$(000's) Cash Flow Reconciliation	\$(000's)
9,368 Operating (Surplus)/Deficit	1,570
<i>Add Non Cash Items:</i>	
17,702 Depreciation	18,606
(1,826) Share of associate	384
- Asset writedown and disposal	2,469
(9,917) Vested assets	(1,768)
60 Unrealised loss on investment property	475
(937) Revaluation of forestry assets	211
1,610 Unrealised Loss/(Gain) on Interest Rate Derivatives	5,099
(72) Unwinding of IFRS discounts	276
<i>Movements in Working Capital Items:</i>	
(3,254) Accounts receivable	(1,258)
1,497 Accounts payable	(781)
<i>Other</i>	
34 Movement in Term Provisions	387
928 Gain (loss) on sale included in Investing Activities	10
1,480 Movement in fixed asset related payables	(503)
13 Movement in Term Employee entitlements	(19)
2,005 Movement in Prepayments classified as investing	(2,005)
- Net GST	-
- NRSBU Equity Adjustment	(486)
- Revaluation loss exceed revaluation reserve	519
Share of associates other comprehensive income	150
<u>18,691</u> Net Cash In/(Out)flow From Operating Activities	<u>23,336</u>

Note 28 Related Party Transactions

2010/11 \$(000's)		2011/12 \$(000's)
	a) Port Nelson Ltd	
	i) Received from:	
2,100	Share of Dividends	6,100
31	Directors Fees	32
1,600	ii) Accounts Receivable	1,600
	b) Nelson Regional Sewerage Business Unit	
	i) Received from:	
2	Treasury Services	-
42	Rates	25
19	Consent & Monitoring Fees	6
884	Owner Distribution	560
	ii) Paid to:	
2,255	Operational funding	2,390
546	iii) Accounts Receivable	643
-	iv) Accounts Payable	-
	c) Tasman Bays Heritage Trust	
	i) Paid to:	
762	Operational Funding	793
	d) Nelson Airport Ltd	
	i) Received from:	
-	Share of Dividends	413
13	Directors Fees	14
-	ii) Accounts Receivable	-
	e) Tourism Nelson Tasman Ltd	
	i) Paid to:	
407	Operational Funding	412
37	Grants	6
	f) Nelson Tasman Combined Civil Defence Organisation	
	i) Paid to:	
222	Operational Funding	270
170	ii) Accounts Payable	90

No provision has been required, nor any expense recognised for impairment of receivables, for any loans or receivables to related parties (2011 \$nil).

Key management personnel

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

Salaries and other short-term employee benefits paid to key management personnel for 2011/2012 was \$1,731,379 with termination benefits of \$15,000. (2010/2011: \$1,664,316 and Nil). Key management personnel include the Mayor, Councillors, Chief Executive, and Management Team.

29 Severance Payments

In accordance with Schedule 10, Part 3, Clause 19, Local Government Act 2002, Council declares that there has been two individual severance payments made to employees during this financial year totalling \$60,000. (2010/2011: \$Nil).

30 Remuneration

Chief Executive

The new Chief Executive of Tasman District Council, appointed under Section 42 of the Local Government Act 2002, commenced on 14 May 2012, and received total remuneration of \$36,592 during the year ending 30 June 2012.

Former Chief Executive

The Chief Executive of Tasman District Council, appointed under Section 42 of the Local Government Act 2002, finished on 30 September 2011. During this time the former Chief Executive received total remuneration of \$204,143 (being salary of \$189,143 plus a severance payment of \$15,000). (2010/2011: Total salary of \$300,400).

Acting Chief Executive

An Acting Chief Executive was appointed from 13 October 2011 until the new Chief Executive commenced on 14 May 2012. During this time the Acting Chief Executive received total remuneration of \$172,727.

31 Financial Instruments

31a Financial Instrument categories

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

\$(000's)		\$(000's)
FINANCIAL ASSETS		
Loans and receivables		
5,813	Cash and cash equivalents	3,870
14,526	Debtors and other receivables	13,968
Other financial assets:		
704	- community loans	785
1,111	- loans to related parties	1,200
<u>22,154</u>	Total Loans and receivables	<u>19,823</u>
Held to maturity		
Other financial assets		
280	- monies held for other organisations	337
4,438	- Council reserve funds held	5,391
<u>4,718</u>	Total Held to maturity	<u>5,728</u>
Fair value through surplus or deficit		
<u>(2,317)</u>	Derivative financial instruments that are not hedge accounts	<u>(7,416)</u>
<u>(2,317)</u>	Total Fair value through profit and loss	<u>(7,416)</u>
Fair value through comprehensive income		
Other financial assets:		
65	- unlisted shares	77
<u>65</u>	Total Fair value through comprehensive income	<u>77</u>
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
15,591	Creditors and other payables	13,968
Borrowings		
139,575	- secured loans	155,603
<u>155,166</u>	Total financial liabilities at amortised cost	<u>169,571</u>

31b Financial Instruments risks

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

a) Credit Risk

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

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

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

Maximum exposures to credit risk at balance date are:

2010/11 \$(000's)		2011/12 \$(000's)
5,813	Cash and cash equivalents	3,870
14,526	Trade and other receivables	13,968
6,598	Other financial assets	9,873
(2,317)	Derivative financial instruments	(7,416)

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

The credit quality of financial assets:

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

\$(000's)		\$(000's)
COUNTERPARTIES WITH CREDIT RATINGS		
Cash and cash equivalents		
5,813	AA	3,870
<u>5,813</u>	Total cash and cash equivalents	<u>3,870</u>
Other financial assets held to maturity		
4,718	AA	5,728
<u>4,718</u>	Total financial assets held to maturity	<u>5,728</u>
Derivative financial assets		
(2,317)	AA	(7,416)
<u>(2,317)</u>	Total financial assets held to maturity	<u>(7,416)</u>

Community loans

704 Existing counterparty with no defaults in the past	785
- Existing counterparty with defaults in the past	-
<u>704 Total Community loans</u>	<u>785</u>

Loans to related parties

1,111 Existing counterparty with no defaults in the past	1,200
- Existing counterparty with defaults in the past	-
<u>1,111 Total Loans to related parties</u>	<u>1,200</u>

Unlisted shares

65 Existing counterparty with no defaults in the past	77
- Existing counterparty with defaults in the past	-
<u>65 Total unlisted shares</u>	<u>77</u>

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

b) Currency Risk

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

c) Fair Value Interest Rate Risk

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

d) Cash Flow Interest Rate Risk

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

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

e) Financial Guarantees

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

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

f) Price Risk

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

g) Liquidity Risk

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

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

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

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

2012	Carrying amount \$(000's)	Contractual cash flows \$(000's)	Less than 1 year \$(000's)	1 -2 years \$(000's)	2 + years \$(000's)
Creditors and other payables	13,968	13,968	13,968	-	-
Secured loans	155,603	170,749	13,577	131,691	25,481
Finance Leases	9	10	5	5	-
Total	169,580	184,727	27,550	131,696	25,481

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

Contractual maturity analysis of financial assets, excluding derivatives

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

2012	Carrying amount \$(000's)	Contractual cash flows \$(000's)	Less than 1 year \$(000's)	1 -2 years \$(000's)	2 + years \$(000's)
Cash and cash equivalents	3,870	3,870	3,870	-	-
Debtors and other receivables	13,968	13,984	13,906	39	39
Other financial assets:					
- community loans	618	776	222	83	471
- loans to related parties	1,200	1,200	1,200	-	-
Total	19,656	19,830	19,198	122	510

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

h) Sensitivity Analysis

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

Interest Rate Risk:

	2011/12			
	\$(000's)			
	-100 bps		+100 bps	
	Profit	Other Equity	Profit	Other Equity
Financial Assets				
Cash and cash equivalents	(37)	-	37	-
Community loans	-	-	-	-
Loans to related parties	-	-	-	-
Monies held for other organisations	-	-	-	-
Council reserve funds held	-	-	-	-
Derivative Financial Instruments	(4,582)	-	4,330	-
Financial Liabilities				
Secured loans	1,412	-	(1,412)	-

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

Explanation of sensitivity analysis:

1. Cash and cash equivalents include deposits at call on floating rates totalling \$3,697,000 (2011: \$5,813,000). A movement in interest rates of plus or minus 1% has an effect on interest income of \$36,970 (2011: \$58,130).
2. Community loans and loans to related parties are at fixed rates for the year. A movement in market interest rates on fixed rate investments does not have an impact because the investments are accounted for at fair value.
3. Monies held for other organisations and Council reserve funds held as deposits are at fixed investment rates. A movement in market interest rates on fixed rate investments does not have an impact because the investments are accounted for at fair value.
4. A portion of Council's Secured loans are at fixed rates. A movement in market rate interest rates on fixed rate debt does not have an impact because secured loans are accounted for at amortised cost using the effective

interest method. Council has \$141,211,652 worth of loan at 30 June 2012 at floating rates (2011: \$107,559,469). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$1,412,117 (2011: \$1,075,595).

5. Derivatives – Interest rate swaps. Derivative financial assets not hedge accounted includes interest rate swaps with a fair value totalling (\$7,378,000) (2011: -\$2,317,000). A movement in interest rates of plus or minus 1% has an effect on the swap value of plus \$4.330m and minus \$4.582m.

31c Financial Instruments Fair Value Hierarchy

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

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

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

2012	TOTAL \$(000's)	Quoted Market Price \$(000's)	Observable Inputs \$(000's)	Significant Non Observable Inputs \$(000's)
FINANCIAL ASSETS				
Fair value through surplus or deficit				
Derivative financial instruments that are not hedge accounted	(7,416)		(7,416)	-
Total Fair value through profit and loss	(7,416)	-	(7,416)	-
Fair value through comprehensive income				
Other financial assets:				
- unlisted shares	77			77
Total Fair value through comprehensive income	77	0	0	77

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

2011	TOTAL \$(000's)	Quoted Market Price \$(000's)	Observable Inputs \$(000's)	Significant Non Observable Inputs \$(000's)
FINANCIAL ASSETS				
Fair value through surplus or deficit				
Derivative financial instruments that are not hedge accounted	(2,317)	-	(2,317)	-
Total Fair value through profit and loss	(2,317)	-	(2,317)	-
Fair value through comprehensive income				
Other financial assets:				
- unlisted shares	65	0	0	65
Total Fair value through comprehensive income	65	0	0	65

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

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

	2012	2011
Balance at 1 July	(15)	2
Gain and losses recognised in the surplus or deficit	-	-
Gain and losses recognised in other comprehensive income	(12)	(17)
Purchases	-	-
Sales	-	-
Transfers into level 3	-	-
Transfers out of level 3	-	-
Balance at 30 June	(27)	(15)

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

32 Capital management

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

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

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

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

Council has the following Council created reserves:

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

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

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

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

33 Urban Portions of the State Highway Network

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

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

34 Significant Variances compared to the Annual Plan

The Council made a net surplus of \$1.570 million (budgeted surplus of \$3.696 million).

Revenue and expenditure	\$(000's)
2011/2012 Annual Plan surplus	3,696
<i>Increases/(reductions)</i>	
Other Revenue	1,348
Other Gains	(505)
Share of Associates surplus/deficit	3,807
Other Income variances	13
Environment and planning	(199)
Engineering	(828)
Community services	1,701
Other Expense variances	218
Other Losses	(6,302)
Joint ventures (Net)	(1,379)
	<u>(2,126)</u>
2012 Annual Report Surplus/(Deficit)	<u><u>1,570</u></u>

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

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

- Development contributions being \$773,000 higher than expected. This is a timing issue dependent on when new subdivisions and building developments are liable for development contributions.
- Reserve Financial Contributions being \$398,000 higher than expected due to an increase in building consents issued over budgeted.
- Assets vested in Council being \$2,156,000 lower than expected. This is mainly due to the timing of new subdivisions and when the assets are vested in Council.
- NZTA subsidies are \$2,251,000 higher than expected due to December 2011 flood event damage on which we received 63% subsidy for the roading expenditure.
- Government subsidies are \$1,498,000 higher than expected due to subsidies received from the Ministry of Civil Defence and Emergency Management towards river expenditure on the December 2010 Aorere River flood event.
- Cycleway income is down \$799,000 due to the timing of the construction of the Tasman Cycle Loop.
- Other income is down on budget due to connection fees and application fees being below budget due to the current economic conditions.

Other gains are down on budget mainly due to the forestry revaluation. The budgeted gain was \$477,000, and the actual result was a loss of \$211,000.

Other losses are up on budget due to an unrealised loss on the revaluation of the interest rate swaps of \$5,061,000 which had not been budgeted for. Council does not budget for some gains and losses due to the inherent difficulties in forecasting market conditions.

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

Engineering expenditure increased due to emergency works undertaken being \$6.491m more than budgeted. (These have been partially offset by an increase in New Zealand Transport Agency subsidies, and a subsidy from the

Ministry of Civil Defence and Emergency Management towards river damage). There was \$989,000 operations and maintenance expenditure on the Motueka Groyne and Jakkett Island against a nil budget [Budgeted \$150,000 was for capital works]. There has also been an off-setting decrease in depreciation expense over budget of \$1.875m resulting from work in progress at year end not being depreciated, and the final componentisation of assets being more accurate than estimates when budgeting.

Community Services expenditure is under budget due to the timing of the Saxton Field projects and the Motueka Swimming Pool project being shifted out beyond the 10 year period of the Long Term Plan 2012-2022.

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

Statement of Financial Position	Actual	Annual Plan	Variance
	\$(000's)	\$(000's)	\$(000's)
The carrying values of the following items vary significantly from those forecast in the LTCCP			
Cash and cash equivalents	3,870	1,497	2,373
Trade and other receivables	13,906	10,198	3,708
Working Capital	(4,454)	(6,467)	2,013
Investment in Associates	82,929	83,000	(71)
Property, plant and equipment	1,176,356	1,183,969	(7,613)
Term Borrowings	(150,049)	(144,899)	(5,150)
Accumulated equity	(486,169)	(489,502)	3,333
Reserve funds	(16,092)	(11,046)	(5,046)
Revaluation reserves	(628,054)	(637,772)	9,718

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

Cash and cash equivalents have increased due to the timing of the loan drawdown to meet capital expenditure for June 2012.

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

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

The property, plant and equipment asset decrease is due to an asset revaluation not being required at the end of the previous financial year. Asset revaluations are currently being undertaken every three years, instead of two years as budgeted.

Term borrowings are up on budget mainly due to the reclassification of term debt to current portion of term debt being lower than budgeted.

Reserve funds have increased primarily due to \$3m of the special dividend received from Port Nelson Limited being allocated to the General Disaster fund to help cover the December 2011 rain event. At year end, \$1.271m of the funds allocated was still available. The timing of engineering and community projects can also affect the balance of the reserve funds at year end.

Revaluation reserves are down due to an asset revaluation not being required at the end of the previous financial year. Asset revaluations are currently being undertaken every three years, instead of two years as budgeted.

35 Events Occurring after Balance Date

No significant events have occurred since balance date that affect these financial statements.

36 Elected Representatives

	SALARY	CONSENT HEARINGS	TOTAL COST	DIRECTOR FEES	TOTAL
	\$	\$	\$	\$	\$
KEMPTHORNE R G	108,640	-	108,640	-	108,640
KING T B	36,419	820	37,239	32,200	69,439
BOUILLIR M	27,314	1,480	28,794	-	28,794
BRYANT S G	36,419	3,275	39,694	-	39,694
DOWLER B F	27,314	0	27,314	-	27,314
EDGAR J	36,419	600	37,019	-	37,019
ENSOR B	27,314	2,150	29,464	-	29,464
GLOVER G	27,314	1,180	28,494	-	28,494
INGLIS J L	27,314	0	27,314	-	27,314
MALING C	27,314	600	27,914	-	27,914
MIRFIN Z	27,314	460	27,774	-	27,774
NORRIS T E	36,419	0	36,419	-	36,419
RILEY N	599	0	599	-	599
SANGSTER P	20,192	0	20,192	-	20,192
WILKINS E J	27,314	240	27,554	-	27,554
	493,619	10,805	504,424	32,200	536,624

Deputy Mayor T B King is a Director of Port Nelson Limited and received director fees from Port Nelson of \$32,200 during the year. (2011: \$31,150).

37 Acquisitions and Replacements of Assets.

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

38 Impact of Disaster Events on Councils Financial Statements.

The purpose of this note is to disclose the:

- impact of the December 2010 and December 2011 flood events on the Council's financial statements
- contingent assets that exist at balance date
- significant areas of estimation and assumption.

Aorere River December 2010 flood event

Council river assets were damaged during this flood.

In the Council Annual Report June 2011, Council assessed that about 30% of Council's rockwork for the Aorere River has been lost. This equated to \$650,000 worth of rockwork which has been lost and an impairment loss for the \$650,000 was included in Other Comprehensive Income – Gain/(loss) on asset revaluations in the Statement of Comprehensive Income. There was \$330,000 of work capitalised in the June 2011 year towards repairing this damage.

There was \$2,182,000 of emergency river works expenditure relating to this event in the year ended 30 June 2012, of which \$720,000 has been capitalised, and \$1,462,000 expensed. The majority of this expenditure has been funded by the Ministry of Civil Defence and Emergency Management (60%), transfer from the Rivers Disaster Fund (20%), and landowner contributions (20%). The majority of damage from this event has been repaired as at 30 June 2012.

December 2011 Rain Event

The most significant event for Council during the year was the heavy rainfall experienced in parts of Golden Bay and Richmond in December 2011. There was widespread damage and a State of Emergency was declared.

The full extent and cost of the damage to Council infrastructure for the December 2011 event, including roads, other transportation assets, utility infrastructure and flood protection structures, is estimated to be approximately \$10.1 million. Of these costs around \$6.7 million should be recoverable from the Ministry of Civil Defence and Emergency Management or from insurance, which leaves a Council liability of around \$3.4 million. Most of the repair work was undertaken in the current 2011/2012 year. Much of the Council funding come from existing Council disaster funds or new loans. Council has also decided to use \$3 million of the Port Nelson special dividend received in 2011/2012 to replenish the General Disaster Fund. This additional funding will mean there should be sufficient money available to cover the costs of the disaster recovery work.

For the flood events that occurred in December 2010 and December 2011, Council is able to recover a portion of its costs from a number of sources, including insurance, New Zealand Transport Agency subsidies and Central Government subsidies. For the December 2011 event, Council has recognised only the Central Government welfare subsidy claim for the event. An insurance claim, and Ministry of Civil Defence and Emergency Management claim are currently in the process of being prepared. Council expects that it is probable that these claims will be accepted.

By the end of the financial year the Council had incurred costs of \$5.155 million on this event.

The impact of the December 2011 Rain Event on the Council's financial statements is summarised below.

<u>Impact on income</u>	\$000's
NZTA subsidy - Local Roads	1,302
NZTA subsidy - Special Purpose Roads	<u>672</u>
	1,974

<u>Impact on expenditure</u>	\$000's
Repairs	(1,892)
Civil defence response	<u>(927)</u>
	(2,819)

	\$000's
Impact on operating surplus before tax	(845)

<u>Impact on other comprehensive income</u>	\$000's
Impairment of property plant and equipment	(2,349)

<u>Impact on capital expenditure</u>	\$000's
Roading repairs	2,252
Water repairs	44
Wastewater repairs	<u>40</u>
	2,336

In accounting for the impact of the event, the Council has made estimates and assumptions based on the best information available at the time the financial statements were prepared.

The key estimates are:

- the cost of damage where repairs have not yet been undertaken
- the value of sections /components of Council assets damaged

The key assumptions are that:

- the full extent of the damage has been identified through the inspection and assessment procedures undertaken to date and that any unidentified damage is unlikely to be significant
- there has been no impact on the useful life of assets, including underground assets that cannot be readily inspected for damage.

STATEMENTS OF OBJECTIVES AND SERVICE PERFORMANCE

Introduction

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

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Engineering	111
Community Services	155
Governance	194
Council Enterprises	197

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

Each significant activity area as a whole incorporates elements of quality, quantity, timeliness, cost and location (where applicable). Unless otherwise noted, all tasks are to be completed by 30 June 2012. Quality processes (which affect the quality of the output) are also a standard feature of the internal management control systems. In particular:

- **Preparation of Internal Report**

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

- **Capital Works**

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

- **Resource Management**

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

- **Maintenance Works**

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

- **Legislative and Financial Compliance**

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

- **Asset Management Planning**

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

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

- **Performance Measures**

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

A Communitrak residents survey was undertaken in May/June 2012 by NRB National Research Bureau Ltd. Where measures within this annual report include information from the Communitrak survey the latest survey information has been used. Note: A total of 400 people were surveyed by telephone. The margin of error for this survey is plus or minus 5 percent.

A separate survey was undertaken in July 2012 by NRB National Research Bureau Ltd which focused on consents and licenses only. A random selection of people who had applied for consents during the year were contacted by telephone to answer the survey.

ENVIRONMENT AND PLANNING

Policy and Objective

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

Nature and Scope

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

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

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

ENVIRONMENT AND PLANNING

Activities

The Council Activities within this Group are:

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

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

Contribution of these activities to the Community Outcomes

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

Assets required by the group of activities

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

Jun-11 Actual \$	ENVIRONMENT & PLANNING	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
1,249,901	Resource Policy	1,269,583	1,375,654	92%
1,956,088	Environmental Information	1,961,980	2,370,064	83%
2,927,967	Resource Consents & Compliance	3,073,521	3,474,881	88%
2,104,176	Environmental Education, Advocacy and Operations	3,324,751	2,225,909	149%
4,105,483	Regulatory Services	4,038,669	4,023,181	100%
12,343,615	TOTAL COSTS	13,668,504	13,469,689	101%

ENVIRONMENT AND PLANNING

RESOURCE POLICY

What We Do

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our levels of service

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

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

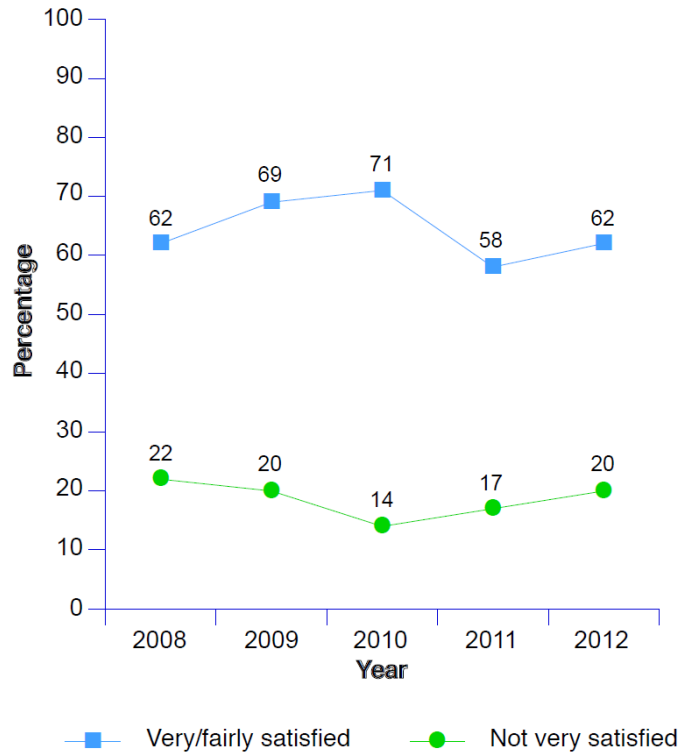
ENVIRONMENT AND PLANNING

How We Measure Progress

The level of community support for Council's resource management policy and planning work is rated as fairly satisfied or better through community surveys. [Target 75%]

62% of residents surveyed were satisfied with Council's resource management policy and planning work, with 18% of respondents not knowing enough to comment, which means 76% of those with knowledge were satisfied or very satisfied. (58%, 25% and 77% being the equivalent 2010/2011 figures).

Environmental Planning And Policy



Having in place an operative Regional Pest Management Strategy, which is kept up to date and relevant. [Strategy to be reviewed in 2012].

Have maintained an operative Regional Pest Management Strategy. An Operational Plan is produced annually and is reviewed annually. The Reviewed Strategy was released in May 2012.

Having in place an operative Tasman Resource Management Plan, which is kept up to date and relevant.

Parts I - III, V and VI (Introduction, Land, Coastal Marine Area, Water and Discharges) of the Tasman Resource Management Plan (TRMP) are operative. Part IV is effectively operative except in respect of one appeal as at 30 June 2012.

ENVIRONMENT AND PLANNING

Major Activities

<p>Undertake strategic development planning for urban and rural areas in the District and process associated plan changes and resolve any appeals, including current work on Richmond West, Richmond East, and work on Richmond CBD (2010 to 2012), Motueka West (current to 2012), Mapua (current to 2012), Eastern Golden Bay (current to 2012), Wakefield/Brightwater (2012).</p>	<p>Advanced draft plan change on Motueka West and central, heard submissions and made decisions on Change 22 for Mapua Ruby Bay, with four appeals received. Continued to mediate on appeals concerning Richmond West rezoning, with four of eight appeals resolved as at 30 June 2012. Heard submissions and notified decisions on Richmond East; two appeals; both resolved. Two hazard risk changes (Change 21, 31) heard and decided with no appeals. Released for discussion flood risk information from Takaka Flood Model and assessment of response options which has resulted in Council deferring any further rezoning in Eastern Golden Bay at this stage. Commenced review of rural land use and subdivision policies and rules, and an investigation of development opportunities in Brightwater and Wakefield – change to refine rural dwellings water supplies prepared and submissions heard and decided on.</p>
<p>In response to settling appeals on landscape matters, undertake Western Golden Bay Strategic Development Study (current - 2011) and Kina to Marahau (2011/2012).</p>	<p>Assessment of landscape values and risks in Golden Bay continued in collaboration with community working group</p>
<p>Complete Part IV of the Tasman Resource Management Plan - Rivers and Lakes</p>	<p>Decisions on Part IV notified 16 July 2011 - two appeals received; one resolved</p>
<p>Review water management provisions, process associated plan changes, and resolve any appeals, Motueka Water Management Zone (current), Takaka Water Management Zone (2011 to 2012), Waimea Water Management Zone (2012 to 2013).</p>	<p>Involved in Environment Court mediation of appeals to Motueka water management provisions, without resolution. Hearings held in February 2012 and TRMP change accepted by the Court. Prepared plan amendments to respond to Government regulations on water metering</p>
<p>Respond to any plan change requests and to administer other parts of the Tasman Resource Management Plan as required.</p>	<p>One private plan change received and process has commenced. Regional coastal plan with aquaculture amendments made by the RMA Amendment Act (No 2) 2011 after Government collaboration with Council</p>
<p>Investigate the merger of the Tasman Regional Policy Statement with the Tasman Resource Management Plan.</p>	<p>This project has been deferred by Council awaiting amendments to the law. It is unlikely to commence before November 2012.</p>
<p>Provide policy advice to Council on legislative and other significant resource management initiatives requiring Council response.</p>	<p>Responded further to proposed National Environmental Standard (NES) on Plantation Forestry, NES on soil contamination, the Productivity Commission's report on Affordable Housing, the Human Rights Commission report on Human Rights and Water, Abandoned Structure Regulations under the Marine and Coastal Area Act, and Exclusive Economic Zone Regulations</p>
<p>Review and administer the Regional Pest Management Strategy (RPMS) in conjunction with Nelson City Council.</p>	<p>Continued involvement in a Joint Marine Biosecurity committee with Nelson City and Marlborough District Councils and Biosecurity New Zealand. Notified the review of RPMS, with 24 submissions received by 30 June 2012 closing date.</p>

ENVIRONMENT AND PLANNING

Jun-11 Actual \$	Resource Policy	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
1,181,295	General Rates	1,243,911	1,233,767	101%
27,188	Fees and Recoveries	11,515	18,623	62%
114,633	Sundry Income	124,003	119,350	104%
1,323,116	TOTAL INCOME	1,379,429	1,371,740	101%
	OPERATING COSTS			
2,017	Regional Policy Statement	8,333	17,996	46%
1,085,276	TRMP	1,047,322	1,236,628	85%
86,241	Policy Advice	118,007	53,795	219%
73,317	Pest Management Strategy	91,792	63,321	145%
3,050	Depreciation	4,129	3,914	105%
1,249,901	TOTAL OPERATING COST	1,269,583	1,375,654	92%
(73,215)	NET COST OF SERVICE (SURPLUS)	(109,846)	3,914	-2806%
	TOTAL FUNDS REQUIRED			
(73,215)	Net Cost of Service (Surplus)	(109,846)	3,914	-2806%
(73,215)		(109,846)	3,914	-2806%
	SOURCE OF FUNDS			
(76,265)	General Funds	(113,975)	-	-
(76,265)		(113,975)	-	-
	NON- FUNDED DEPRECIATION			
3,050	Depreciation to be funded at income statement level	4,129	3,914	105%
(73,215)		(109,846)	3,914	-2806%

Comment:

Fees and recoveries are down on budget due to a \$3,184 refund of a plan change fee. [Original fee of \$5,218 received in the 2010/2011 financial year].

Policy advice and pest management strategy costs are up due to more resources being required in these areas, in part in response to proposed government regulations.

ENVIRONMENT AND PLANNING

ENVIRONMENTAL INFORMATION

What We Do

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our levels of Service

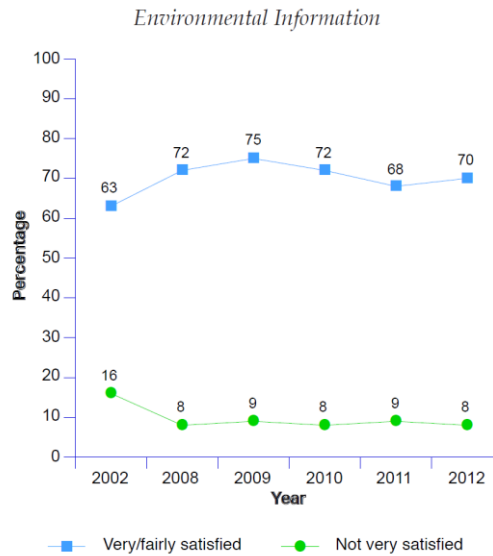
We will provide environmental monitoring and resource investigations services in a professional and scientifically valid manner to ensure our natural and physical resources are sustainably managed.

ENVIRONMENT AND PLANNING

How We Measure Progress

The level of community support for Council's environmental information and monitoring work is rated as fairly satisfied or better through community surveys. [Target 75%]

70% of residents surveyed are satisfied with Council's environmental information and monitoring work, with 22% of respondents not knowing enough to comment, which means 90% of those with knowledge were satisfied or very satisfied. (68%, 24% and 89% being the equivalent 2010/2011 figures)



We report air quality data through our website and provide an annual report with the aim of having no more than one PM10 exceedance of the National Environmental Standard by 2013.

Website continuously updated and required manual update of the number of exceedances, which was no more than 3 days out of date at any given time. 16 exceedances were measured in the Richmond airshed (as at 28/8/12), 5 more than the previous winter. Annual report due in September 2012. One Newsline article was produced on air quality. The "Good Wood" programme was run through Council's environmental education activity to promote the use of dryer and cleaner burning wood. Reported on a meteorological and air quality model for Waimea Plains-Nelson.

We release at least one issue based State of the Environment (SOE) report annually.

The Health of Freshwater Fish Communities in Tasman was released August 2011. The Coastal Ecological Risk Assessment to be released October 2012

Undertake targeted investigations of resource issues with the findings released via the Environment and Planning Committee (EPC) and via the Council's website.

Targeted resource investigations ongoing in all our water management catchments and is driven by pressures on the water resource. Work continues to be undertaken in the Upper Motueka Catchment, The Motueka/Riwaka Plains, the Waimea Plains, the Moutere Catchment and the Takaka Catchment. The Council operates numerous water resources monitoring sites for ongoing long term monitoring as well as short term sites for targeted investigations.

We ensure our hydrometric network is available for regional hazard management. [Target 99%]

The network functioned well throughout the year with the system operating continuously and met the 99% target. River sites have been upgraded to modern loggers and communication equipment, and this task is now completed. Upgrades to rainfall recorders are 70% complete.

A repeater suite was set up at Collingwood to provide better communication to a new river site at Salisbury Bridge for flood warning purposes. Three additional rain gauges were also installed in the Aorere Catchment to build an accurate picture of the rainfall patterns. A lower Aorere River hydrometric site has been investigated for potential installation.

ENVIRONMENT AND PLANNING

Major Activities

Revise and continue implementing the State of the Environment Monitoring and Reporting Strategy.	Council continues to implement the State of the Environment Monitoring and Reporting Strategy.
Prepare and distribute annually issue based reports (Surface Water, Air, Groundwater, Coastal, Land) on the State of the Environment.	The Health of Freshwater Fish Communities in Tasman was released August 2011. The Coastal Ecological Risk Assessment to be released October 2012
Monitor, collect and maintain resource data/records and report on environmental resources condition and trends as provided for in Council's State of the Environment Monitoring Strategy.	<p>The Council continues to collect natural resource information from throughout the District which is required for it to carry out its monitoring and resource management function. Information from key sites eg river flows and groundwater levels as well as other relevant natural resources information is available online through the Council website. The monitoring, collection and maintenance of all environmental data/records is ongoing.</p> <p>Undertook preliminary assessment of Seismic Liquefaction Risk in Tasman District.</p>
Initiate and respond to flood warnings and continue water resource investigations in the Waimea, Buller, Golden Bay, Moutere and Motueka catchments.	<p><u>Hydrology:</u></p> <ul style="list-style-type: none"> - Flood warnings were issued on a number of occasions, the most significant being in December 2011 which resulted in landslip problems in the Pohara/Ligar Bay area and behind Richmond. - The telemetry system continues to perform well during all weather alerts, except equipment was lost in the December 2011 event. - Contract hydrology services are provided to Nelson City Council. - The Council 'Flowphone' and web page continue to be widely used by anglers, canoeists and others. - Continue to provide information and advice during drought periods to the Dry Weather Task Force in managing the Districts Water Resources. This includes implementation and monitoring of decision in relation to water restrictions. <p><u>Targeted Water Resource Investigations:</u></p> <ul style="list-style-type: none"> - Ongoing work on targeted water resource investigations continues in the Waimea, Moutere, Motueka and Golden Bay Catchments. -Ongoing effort in maintaining and enhancing water resource monitoring sites including both surface and groundwater sites for ongoing sustainable management of this vital resource - Ongoing effort has continued into the Waimea Water Augmentation project. - Developed a Takaka Flood Inundation Model - Update the Motueka/Riwaka Plains River/Aquifer model - Develop the Upper Motueka River/Aquifer Model <p>Continue to support and liaise with the community and Water User groups in relation to water issues and management in their catchment</p>
Conduct investigations into pollution and contamination related issues.	Maintained and updated Council's Site Contamination Register. Continued work with landowners in managing the effects of historic sheep dips.

ENVIRONMENT AND PLANNING

Jun-11 Actual \$	Environmental Information	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
2,105,860	General Rates	1,930,281	1,914,580	101%
411,745	Fees and Recoveries	417,996	452,545	92%
88,029	Sundry Income	95,227	91,654	104%
2,605,634	TOTAL INCOME	2,443,504	2,458,779	99%
	OPERATING COSTS			
575,329	Water Resource Investigations	570,358	645,633	88%
1,171,398	Environmental Monitoring	1,109,831	1,469,914	76%
78,220	Flood Management	155,481	91,878	169%
90,418	Pollution Investigations	102,921	106,814	96%
11,496	Loan Interest	9,882	10,926	90%
29,227	Depreciation	13,507	44,899	30%
1,956,088	TOTAL OPERATING COST	1,961,980	2,370,064	83%
(649,546)	NET COST OF SERVICE (SURPLUS)	(481,524)	(88,715)	543%
	TOTAL FUNDS REQUIRED			
(649,546)	Net Cost of Service (Surplus)	(481,524)	(88,715)	543%
135,873	Capital	85,669	121,776	70%
12,473	Loan Principal Repaid	11,328	11,838	96%
(501,200)		(384,527)	44,899	-856%
	SOURCE OF FUNDS			
8,790	Loans Raised	-	-	-
(539,217)	General Funds	(398,034)	-	-
(530,427)		(398,034)	-	-
	NON- FUNDED DEPRECIATION			
29,227	Depreciation to be funded at income statement level	13,507	44,899	30%
(501,200)		(384,527)	44,899	-856%

Comment:

Flood management costs are over budget due to an increase in staff requirements during, and subsequent to, the December 2011 rainfall event.

Water resource investigations, and environmental monitoring are down on budget due to some projects not been completed due to reasons such as weather problems and the unavailability of specialist consultants.

ENVIRONMENT AND PLANNING

RESOURCE CONSENTS & COMPLIANCE

What We Do

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our levels of service

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

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

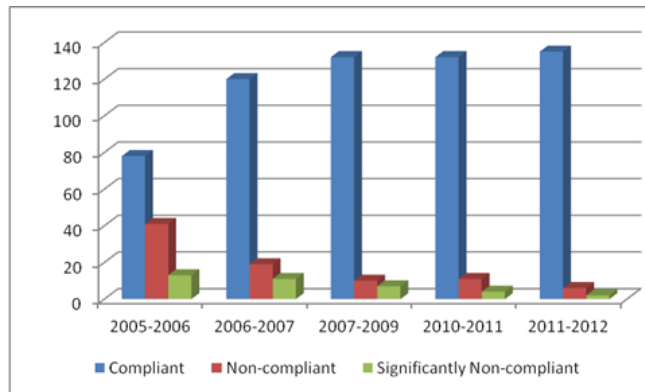
How We Measure Progress

The level of support for Council's resource management consent from applicants and compliance work is rated as fairly satisfied or better through community surveys. [Target 75%]	Reported satisfaction level of 76.5% with 2.0% unable to answer (82.7% and 7.9% respectively in 2009/2010). 21.6% not very satisfied for reasons which include time delays, expense, and too much red-tape (cf 15.4% in 2010/2011).
Consent applications are processed within statutory timeframes (where they exist). [Target 100%]	98% of non-notified applications processed within timeframe, 91% for publicly notified and limited notified applications (cf 99% and 100% respectively in 2010/2011).

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

The annual Dairy Effluent Discharge Report was submitted in August 2012 and the Water Metering Report in July 2012. The annual Compliance and Enforcement Summary report was presented in September 2012.



Dairy Effluent Compliance Levels

Over the 2011/12 year resource consents and targeted permitted activities (water metered consents excluded) were monitored and reported on. Compliance levels are shown in the following table

Compliance rating	Y11/12	Y10/11
1. Fully complying	913	639
2. Non - compliance. Nil or minor adverse effect	202	385
3. Non - compliance. Moderate adverse effect	33	84
4. Non - compliance. Significant adverse effect	20	39

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

All complaints were responded to within 15 working days with 86% resolved entirely within their deadline. [The 2010/2011 figure was 90% but measured responses to some different factors such as complaints against charges.

ENVIRONMENT AND PLANNING

Major Activities

<p>Respond to enquiries and undertake the necessary consultation, analysis and processing of resource consent applications related to Council's resource management functions.</p>	<p>Council continues to respond to enquiries and all other aspects of resource consent applications on an ongoing basis. As at 30 June 2012 we had completed the processing of 950 non-notified applications with 98% complying with statutory timeframes (in 2011 the figure was 847 at 99%), and 63 notified or limited notification applications with 91% complying with statutory timeframes (in 2011 the figure was 81 at 100%). As at 30 June 2012, seven appeals to the Environment Court await resolution (cf 6 in 2011).</p>																						
<p>Implement monitoring programmes on resource consents that have potentially significant resource and environmental impacts, and to undertake post-consent and rule compliance monitoring and necessary enforcement, including responding to environmental nuisance complaints. To ensure that this monitoring is fed back into the policy development process.</p>	<p>The compliance monitoring team continues to carry out consent compliance monitoring in accordance with the Compliance Monitoring Strategy. Submitted Annual Dairy Effluent Discharge in August 2012 and Water Metering Reports in July 2012. Annual Compliance and Enforcement report to be released September 2012. Reviewed Council's Enforcement Policy.</p> <p>Staff also responded to written and verbal complaints and maintained a file of complaints with record of actions taken. The following breakdown records the type of complaints received over the year.</p> <table data-bbox="762 1057 1445 1429"> <tr> <td>Noise</td> <td>886</td> </tr> <tr> <td>Land Use</td> <td>258</td> </tr> <tr> <td>Discharges – Air</td> <td>269</td> </tr> <tr> <td>Discharges – Water</td> <td>59</td> </tr> <tr> <td>Discharges - Land</td> <td>103</td> </tr> <tr> <td>Water takes</td> <td>10</td> </tr> <tr> <td>Rivers</td> <td>17</td> </tr> <tr> <td>Coastal</td> <td>14</td> </tr> <tr> <td>Rubbish</td> <td>41</td> </tr> <tr> <td>Abandoned vehicles</td> <td>84</td> </tr> <tr> <td>(cf 1,992 in 2010/2011)</td> <td>1,741</td> </tr> </table>	Noise	886	Land Use	258	Discharges – Air	269	Discharges – Water	59	Discharges - Land	103	Water takes	10	Rivers	17	Coastal	14	Rubbish	41	Abandoned vehicles	84	(cf 1,992 in 2010/2011)	1,741
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Jun-11 Actual \$	Resource Consents & Compliance	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
1,512,727	General Rates	1,624,971	1,611,739	101%
1,277,616	Fees and Recoveries	1,295,882	1,764,440	73%
86,327	Sundry Income	93,385	89,881	104%
2,876,670	TOTAL INCOME	3,014,238	3,466,060	87%
	OPERATING COSTS			
1,990,692	Resource Consent Processing	2,254,161	2,429,943	93%
930,400	Compliance Monitoring	810,054	1,036,117	78%
6,875	Depreciation	9,306	8,821	105%
2,927,967	TOTAL OPERATING COST	3,073,521	3,474,881	88%
51,297	NET COST OF SERVICE (SURPLUS)	59,283	8,821	672%
51,297	TOTAL FUNDS REQUIRED	59,283	8,821	672%
	SOURCE OF FUNDS			
44,422	General Funds	49,977	-	-
44,422		49,977	-	-
	NON- FUNDED DEPRECIATION			
6,875	Depreciation to be funded at income statement level	9,306	8,821	105%
51,297		59,283	8,821	672%

ENVIRONMENT AND PLANNING

ENVIRONMENTAL EDUCATION, ADVOCACY AND OPERATIONS

What We Do

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

Why We Do It

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

Our Goal

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

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

How this activity contributes to the Community Outcomes

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

Our levels of service

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

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

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

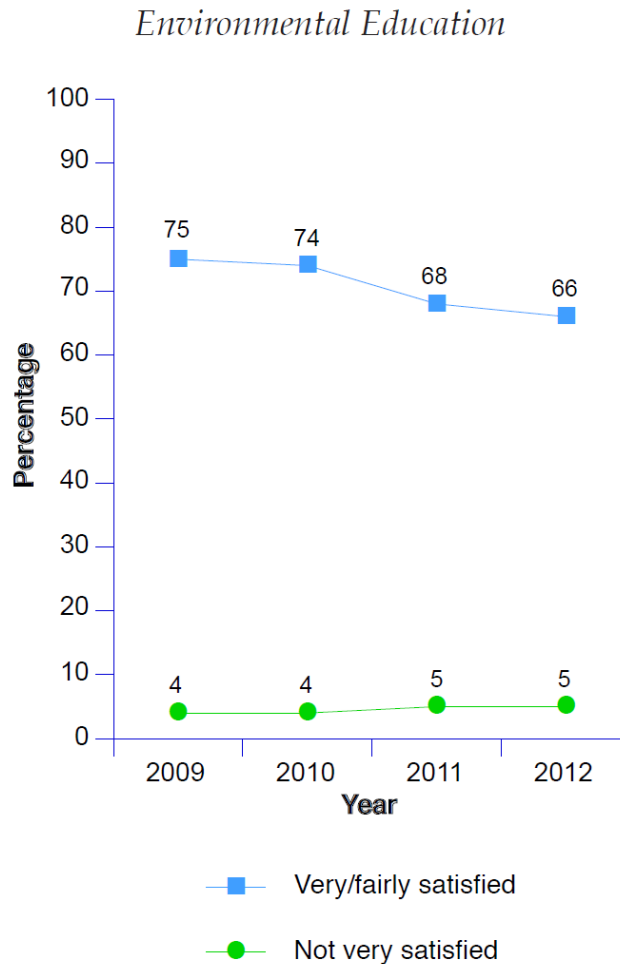
We will have in place a civil defence and emergency management system that is designed to promote safety of people and a resilient community in the event that emergencies may occur.

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How We Measure Progress

The level of community support for Council's environmental education projects and events is rated as fairly satisfied or better through community surveys. [Target 75%]

66% satisfied or better with 28% not knowing enough to comment (68% and 27% being the equivalent 2010/2011 figures). 5% were not satisfied, which means that 92% of those who were able to comment were satisfied or better with Council's environmental education activities.



That the number of cattle and deer herds infected with bovine Tb or on movement control reduces each successive year. [Target: Annual reduction from previous year]

1 herd under movement control as at 30 June 2012 (compared to 1 as at 30 June 2011)

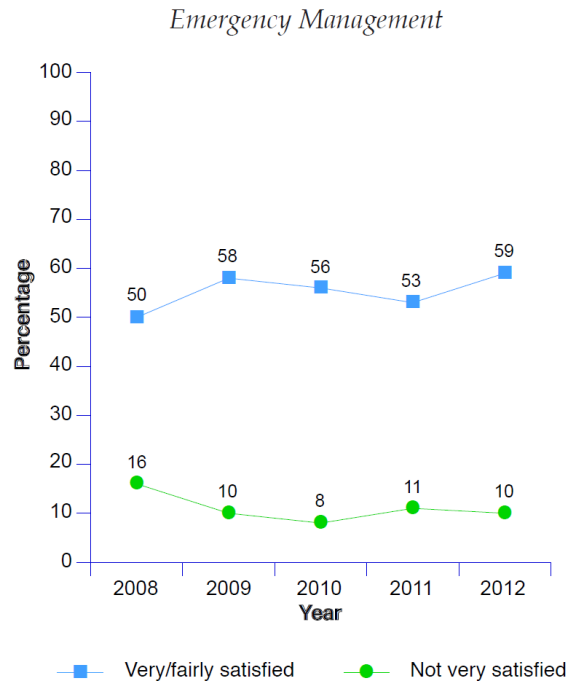
Timely reporting of pest management operations in accordance with requirements of the Biosecurity Act. [Target: Annual report by November each year]

Annual report on Pest Management Operations reported to Council 6 October 2011.

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The level of community support for Council's civil defence emergency management system is rated as fairly satisfied or better through community survey. [Target: 75%]

59% of residents fairly satisfied or better with 32% not knowing enough to comment (53 % and 36% being the equivalent 2010/2011 figures). 10% were not satisfied, which means that 87% of those who were able to comment were satisfied or better with Council's civil defence emergency management activities



Major Activities

Identify and promote opportunities for achieving sustainable management of natural and physical resources through implementing Council's Environmental Education Strategy and education and advocacy for sustainable environmental management practices, including working with Enviroschools and other community groups.

The Enviroschools programme is continuing to grow with over 40% of Tasman schools being Enviroschools. The programme has been extended to involve pre-schools.

Another successful Ecofest was held in August 2011, with over 5,000 people attending the Expo or one of the other events. The "futureproof your family" theme offered considerable profile for our local Civil Defence, and was well received. The "How To" demonstrations at the Expo and elsewhere, were well attended, particularly those on "Do It Yourself" and garden-related topics. As well, a "mini" Ecofest was popular in Golden Bay in May 2012.

A full Review of Ecofest was conducted and recommendations adopted include that the Ecofest event continue on an annual basis from 2012-2015, after which it should be reviewed again.

The Tasman Nelson Environment Awards were opened in October and concluded with a ceremony in November 2011. Fifty-nine entries over eleven categories were received. A full Review of the Environment Awards was started in the period.

Other work highlights include support for gardening, composting, and community gardening in Tasman (supported by funding from the District Health Board); an extension of

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	waste education across schools; another successful community 'Big Beach Clean Up' in November 2011; and the conclusion of the three year 'Sustainable Business Advisor' service in the region.
Undertake soil conservation, land management, biodiversity and stream protection works in conjunction with affected landowners.	Soil conservation, land management and stream protection works in conjunction with affected landowners continues in accordance with the approved programme. Provided ongoing assistance to the Tasman Environmental Trust and the Tasman Native Habitats programme Biodiversity Forum meeting was held 25 May 2012.
Undertake pest management operations including control of designated plants in sites of high public value in accordance with criteria in the Regional Pest Management Strategy and to contribute towards the Animal Health Board bovine Tb vector control programme.	Pest management operations were carried out on an ongoing basis in accordance with the Operational Plan prepared under the Nelson Tasman Regional Pest Management Strategy. A separate and more detailed annual report is available for review (released November 2011). Council continues to provide funds as a contribution to the Animal Health Board's Bovine Tb Vector Management programme.
Monitor the environment around the former Fruitgrowers Chemical Company site at Mapua.	Ongoing monitoring undertaken with results showing a continued reduction in contaminant residues.
Review and implement the Nelson Tasman Civil Defence Emergency Management Group Plan.	Completed a review of the Nelson Tasman Civil Defence Emergency Management Group Plan. Staff responded to a heavy rainfall event in December 2011 which resulted in a State of Emergency being declared.

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Jun-11 Actual \$	Environmental Education, Advocacy and Operations	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
1,290,424	General Rates	1,381,964	1,370,728	101%
321,773	Targeted Rates	318,123	306,485	104%
510,344	Fees and Recoveries	471,708	487,540	97%
176,899	Sundry Income	191,371	184,178	104%
2,299,440	TOTAL INCOME	2,363,166	2,348,931	101%
	OPERATING COSTS			
187,541	Land Management	213,714	248,210	86%
656,754	Promotion of Good Practice	720,431	539,337	134%
596,499	Plant Pest Management	696,385	533,565	131%
241,769	Animal Pest Management	214,272	257,760	83%
290,813	Emergency Management	1,443,344	364,207	396%
(110,875)	less share of NTCCDO Joint Venture income	(134,875)	-	-
104,341	Loan Interest	89,571	98,779	91%
133,707	Mapua	76,999	179,397	43%
3,627	Depreciation	4,910	4,654	106%
2,104,176	TOTAL OPERATING COST	3,324,751	2,225,909	149%
(195,264)	NET COST OF SERVICE (SURPLUS)	961,585	(123,022)	-782%
	TOTAL FUNDS REQUIRED			
(195,264)	Net Cost of Service (Surplus)	961,585	(123,022)	-782%
1,587	Capital	5,242	-	-
-	Transfer to Restricted Reserves	-	22,293	0%
107,383	Loan Principal Repaid	107,383	107,383	100%
(86,294)		1,074,210	6,654	16144%
	SOURCE OF FUNDS			
-	Restricted Reserves Applied	100,451	2,000	5023%
(89,921)	General Funds	968,849	-	-
(89,921)		1,069,300	2,000	53465%
	NON- FUNDED DEPRECIATION			
3,627	Depreciation to be funded at income statement level	4,910	4,654	106%
(86,294)		1,074,210	6,654	16144%

Comment:

Emergency management is over budget due to the December 2011 flood event. \$927,000 has been spent on general infrastructure repairs, geotech investigations and welfare costs. Some of these costs will be met by central government funding and insurance, with the shortfall to be funded by Council through rates and transfers from the General Disaster Fund. As these claims have not been finalised, no allowance for any recoveries from insurance or central government has been recognised.

ENVIRONMENT AND PLANNING

REGULATORY SERVICES

What We Do

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our levels of service

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

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

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

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

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

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

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

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

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

How We Measure Progress

<p><i>Building Control:</i></p> <p>Applications for building consent and code compliance certificates (CCC) are processed within statutory timeframes. [Target: 100%]</p> <p>We maintain Building Consent Authority Accreditation.</p>	<p>96.83% of building consent applications were processed within statutory time frames (cf 94.3% in 2010/2011).</p> <p>87.54% of CCC applications were processed within the statutory timeframe ((cf 86% in 2010/2011)). This will be an ongoing problem as we clear historical consents.</p> <p>Reaccreditation as a Building Consent Authority was achieved in March 2012 – Target met</p>
<p><i>Parking Control:</i></p> <p>Compliance by not less than 80 out of every 100 vehicles parking in time controlled areas within the Traffic Bylaw, based on an annual snap survey. [Target: 80%]</p>	<p>Survey undertaken in August 2011 – 83 out of 100 vehicles complied - target achieved</p>

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Maritime Responsibilities:

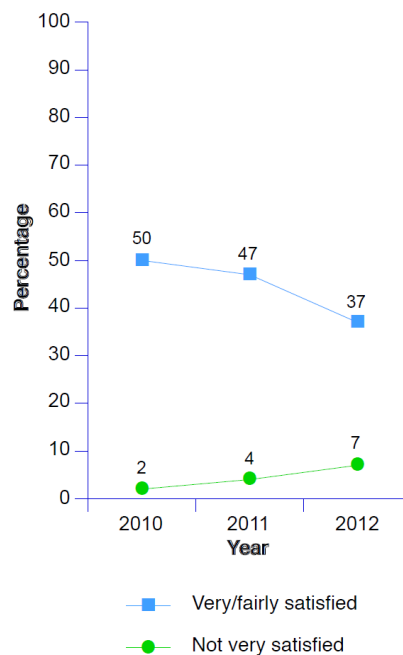
All known commercial operators are appropriately registered. [Target: 100%]

Residents rate their satisfaction with this activity as "fairly satisfied" or better in annual surveys. [Target: 80%]

Target met. All 40 known commercial operators (100%) licensed or registered as exempt. Two suspected unlicensed operators to be monitored this season. One Infringement Notice for failing to hold a licence issued (operator subsequently ceased trading).

37% of residents surveyed satisfied with Council's harbour management work, with 57% of respondents not knowing enough to comment, which means 86% of those with knowledge were satisfied or very satisfied. (47%, 49% and 92% being the equivalent 2010/2011 figures)

Harbour Management And Safety Activity



Liquor Licensing:

All applications are processed in accordance with the Sale of Liquor Act. [Target: 100%]

In conjunction with NZ Police, we detect no sale of liquor to minors through random controlled purchase operations(CPO's) run annually. [Target: At least two annual operations with no offences detected]

All 530 applications were processed in accordance with the Sale of Liquor Act.

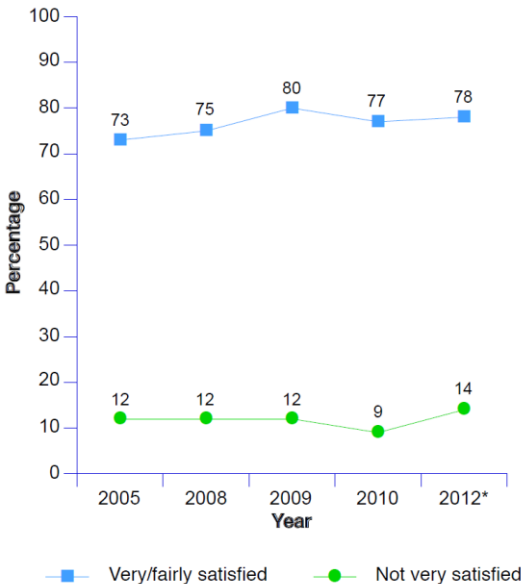
Conducted CPOs 28 July 2011, 1 December 2011, 23 March 2012, 12 May 2012. 56 premises inspected, 7 offences detected in 7 different premises (3 failures on 1 December 2011 and 4 failures on 12 May 2012). CPOs run on 28 July 2011 and 23 March 2012 did not detect any breaches so target therefore met.

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<p><i>Public Health:</i></p> <p>All registered food premises are inspected at least once annually for compliance and appropriately licensed. [Target: 100%]</p> <p>All registered food premises deemed to be substandard are re-inspected within a two month period. [Target: 100%]</p> <p>All other registered premises are inspected at least once annually for compliance and appropriately licensed. [Target: 100%]</p>	<p>97% of premises were inspected as at 30 June 2012. Additional resources were brought in to clear a build up of compliance issues to deal with.</p> <p>All of the premises identified with significant non-compliance, have been reinspected within the two month timeframe. Target met.</p> <p>100% as at 30 June 2012</p>
<p><i>Hazardous Substances:</i></p> <p>We respond to any reported incidents relating to hazardous substances within 2 hours. [Target: 100%]</p>	<p>No incidents reported</p>
<p><i>Bylaw Administration:</i></p> <p>Ensure all known operators of certain activities are appropriately licensed. [Target: 100%]</p>	<p>All known operators appropriately licensed</p>
<p><i>Animal Control:</i></p> <p>All known dogs are registered annually by 30 September. [Target: 97%]</p> <p>We respond to high priority dog complaints within 60 minutes, 24 hours a day, seven days a week. [Target: 100%]</p>	<p>98% of the 10,257 known dogs were registered as at 30 September 2011</p> <p>Response times were achieved although in some cases this was via a telephone call rather than on-site presence</p>
<p><i>Rural Fire:</i></p> <p>The area of forest lost through fire annually does not exceed 20 hectares.</p>	<p>51 hectares of damage to production forest from rural fires.</p>

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Major Activities

<p>Respond to enquiries and undertake inspectorial responsibilities under the Health Act, Building Act, Sale of Liquor Act, and the Hazardous Substances and New Organisms Act, and associated Council bylaws.</p>	<p>Plan checking and inspectorial responsibilities under the Health, Building, and Sale of Liquor Acts and Council bylaws were discharged using professionally trained and qualified staff and contractors.</p> <p>96.8% of 1,321 building consents were processed within the statutory processing time limit (cf 1,482 at 94.3% in 2010/2011). The average processing time was 10.5 days (cf 11 in 2010/2011).</p> <p>Achieved reaccreditation as a Building Consent Authority in March 2012.</p> <p>Prepared review of Sale of Liquor in Public Places Bylaw</p>																		
<p>Carry out Harbour Board functions including implementation of the Joint Oil Spill Contingency Plan (with Nelson City Council).</p>	<p>Harbourmaster Annual report for 2011/12 submitted August 2012. Another busy summer where maritime responsibilities were carried out.</p> <p>Staff assisted in responding to the <i>Rena</i> oil spill event in Tauranga.</p> <p>Registered 40 commercial operators to operate within Tasman District harbour limits (cf 36 in 2010/2011). 14 infringement notices were issued.</p> <p>No oil spills reported</p>																		
<p>Carry out animal control responsibilities.</p>	<p>The Council continues to administer the Dog Control Bylaw with service delivery being undertaken by Control Services (Nelson) Ltd. There were 5,774 rural and 4,684 urban dogs registered in Tasman District. Council's contractors responded to complaints regarding wandering stock and dogs and impounded animals as required. 70 Dog Control Infringement Notices were issued, 59 of which were for unregistered dogs. (cf 96 in 2010/2011). A separate annual report to the Secretary of Local Government is available for further details.</p> <p>78% of residents were satisfied with the Council's efforts in controlling dogs, with 8% unable to comment. [Not measured in 2011].</p> <p style="text-align: center;"><i>Dog Control</i></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Dog Control Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>73</td> <td>12</td> </tr> <tr> <td>2008</td> <td>75</td> <td>12</td> </tr> <tr> <td>2009</td> <td>80</td> <td>12</td> </tr> <tr> <td>2010</td> <td>77</td> <td>9</td> </tr> <tr> <td>2012*</td> <td>78</td> <td>14</td> </tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	2005	73	12	2008	75	12	2009	80	12	2010	77	9	2012*	78	14
Year	Very/fairly satisfied (%)	Not very satisfied (%)																	
2005	73	12																	
2008	75	12																	
2009	80	12																	
2010	77	9																	
2012*	78	14																	

ENVIRONMENT AND PLANNING

Carry out parking control responsibilities under Council's Parking Bylaw.	Parking enforcement responsibilities are carried out under contract by Control Services (Nelson) Ltd. 1,372 infringement notices were issued (cf 1370 in 2010/2011) during the year along with other advisory warnings concerning parking. Public assistance continues to be offered while wardens are on duty
Ensure fire risk in the District is effectively managed through supporting rural fire parties and the Waimea Rural Fire Committee.	Fire risk in the District is being effectively managed by the Waimea Rural Fire Authority through a contract with Rural Fire Network and the ongoing support of rural fire parties.
New capital expenditure on replacement fire appliances to the approximate value of \$34,000. Council will be seeking subsidies from the National Rural Fire Authority towards the purchase of fire equipment and appliances.	A replacement ute has been purchased for the rural fire network. Some of the funds will be required to replace a flood damaged fire engine as insurance costs won't quite cover the replacement. These funds are not expected to be fully spent for the year.

Jun-11 Actual \$	Regulatory Services	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
919,527	General Rates	1,069,739	1,061,042	101%
2,790,374	Fees and Recoveries	2,686,217	2,900,833	93%
1,724	Interest Received	1,575	-	-
78,681	Sundry Income	85,114	81,920	104%
3,790,306	TOTAL INCOME	3,842,645	4,043,795	95%
	OPERATING COSTS			
2,389,821	Building Control	2,403,039	2,299,210	105%
511,119	Liquor/Health/Registered Premises	515,601	554,640	93%
365,618	Animal Control	381,701	401,177	95%
457,170	Rural Fire	355,692	382,351	93%
345,219	Maritime, Parking & Hazardous Substances	339,538	346,218	98%
20,800	Loan Interest	24,682	20,051	123%
15,736	Depreciation	18,416	19,534	94%
4,105,483	TOTAL OPERATING COST	4,038,669	4,023,181	100%
315,177	NET COST OF SERVICE (SURPLUS)	196,024	(20,614)	-951%
	TOTAL FUNDS REQUIRED			
315,177	Net Cost of Service (Surplus)	196,024	(20,614)	-951%
100,850	Capital	32,878	35,398	93%
77,982	Transfer to Restricted Reserves	13,072	-	-
21,064	Loan Principal Repaid	17,172	18,745	92%
515,073		259,146	33,529	773%
	SOURCE OF FUNDS			
-	Restricted Reserves Applied	-	13,995	0%
499,337	General Funds	240,730	-	-
499,337		240,730	13,995	1720%
	NON- FUNDED DEPRECIATION			
15,736	Depreciation to be funded at income statement level	18,416	19,534	94%
515,073		259,146	33,529	773%

Comment:

Building fees recoveries are down on budget due to the lower level of activity for the year.

ENGINEERING

Policy and Objective

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

Nature and Scope

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

a) Land Transportation

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

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

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

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

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

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

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

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

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

Contribution of Activities to Community Outcomes

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

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

Jun-11 Actual \$	ENGINEERING	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
14,871,091	Subsidised Land Transportation	14,945,578	14,497,554	103%
6,726,301	Non Subsidised Land Transportation	7,745,072	7,650,235	101%
1,087,381	Coastal Structures	2,295,946	1,348,752	170%
206,456	Aerodromes	194,537	243,553	80%
8,608,894	Water Supply	9,202,760	9,451,108	97%
8,762,830	Wastewater	9,361,029	10,416,676	90%
3,418,437	Stormwater	3,604,454	3,590,904	100%
5,562,892	Solid Waste	6,088,197	6,521,163	93%
2,437,692	Rivers	3,253,180	2,143,238	152%
51,681,974	TOTAL COSTS	56,690,753	55,863,183	101%

LAND TRANSPORTATION

What We Do

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

The Tasman District transportation network encompasses and requires:

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Subsidised and non-subsidised transport activities

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

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

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

Our Levels of Service

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

ENGINEERING

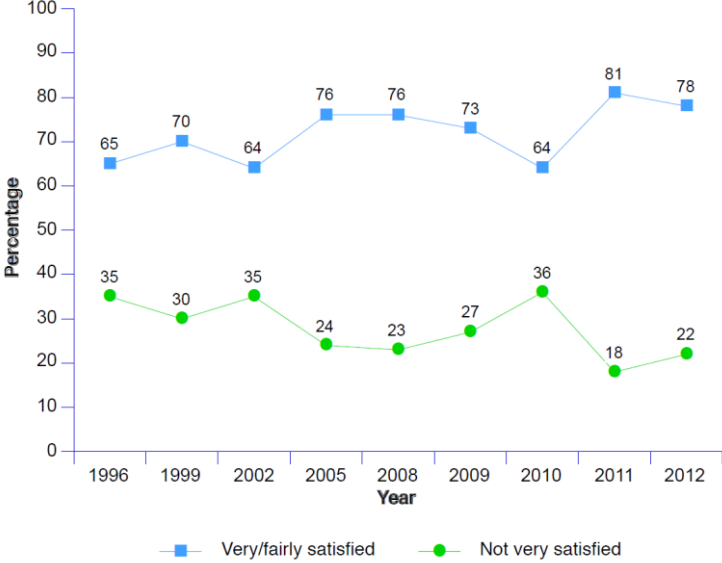
How we measure progress

<p>All road construction and maintenance activities comply with any required resource consents. [Target: 100%]</p>	<p>Actual = 99% [2011: 100%]</p> <p>Consents are held for all maintenance and current capital works.</p> <p>One non-compliance (nil or minor adverse effect) was received for Yellow Pine Bridge Replacement project due to contractor's communication and sediment control issues.</p>								
<p>Council keeps its Surface Condition Index (SCI) at or above 97.5%. The SCI is a nationally used index to represent surface condition and keeping it at this level will demonstrate Council is maximising the life of the sealed surfaces.</p>	<p>Actual = 97.1% [2011: 97.1%]</p> <p>The actual SCI is slightly below the target of 97.5%. This difference is not considered to be a physical issue on the network and is most likely related to the accuracy and completeness of data entered into RAMM (Road Assessment and Maintenance Management software). The actual condition of the network is reinforced by the outputs from the latest condition rating survey which show an improved Condition Index (CI). This information is taken from the NZ Transport Agency RAMM report and includes all sealed urban/rural roads.</p>								
<p>Council achieves 10km of seal extension within 10 years. Sealing eliminates dust for adjacent properties and is the lowest long term cost option. [Target: 3km sealed in Year 1, 1.5km in Year 3 and 10km completed by 2019]</p>	<p>Actual = 0 in 2011/12. [2011: 0.278km in 2011/12]</p> <p>Actual for the 10 year measure = 3.408km</p> <p>Gibbs Valley Seal Extension funding was reassigned to the Turner's Bluff (Pukekoikoi) project.</p> <p>Orion Street in Collingwood was sealed in early 2011 (0.278km). 88 Valley Road seal extension was undertaken in 2009/2010 (3.130km).</p>								
<p>We receive less than 35 complaints per year relating to the maintenance of footpaths.</p>	<p>Actual = 67 [2011: 61]</p> <div data-bbox="579 1037 1141 1400" data-label="Figure"> <table border="1"> <caption>Footpath Complaints Received</caption> <thead> <tr> <th>Year</th> <th>Complaints</th> </tr> </thead> <tbody> <tr> <td>2009/10</td> <td>59</td> </tr> <tr> <td>2010/11</td> <td>65</td> </tr> <tr> <td>2011/12</td> <td>67</td> </tr> </tbody> </table> </div> <p>The current performance shows that the number of complaints received regarding footpaths are greater than the target level of service. This indicates the overall footpath condition is below the community's desired level.</p> <p>Historic funding levels have been relatively low for this activity as indicated by footpath maintenance and renewal budgets being significantly less than annual depreciation of the footpath assets. Increased funding has been approved in 2012/13 and beyond to enable more maintenance and renewal works to be completed with a view to meeting the amended level of service of <70 in 2012/13.</p> <p>The new urban roading maintenance contract starting 1 July 2012 includes a much greater focus on footpath maintenance than previous contracts.</p> <p>71% of residents are satisfied with footpaths in their District, with 20% not very satisfied. [2011: 72% satisfied, with 23% not very satisfied.]</p>	Year	Complaints	2009/10	59	2010/11	65	2011/12	67
Year	Complaints								
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2010/11	65								
2011/12	67								

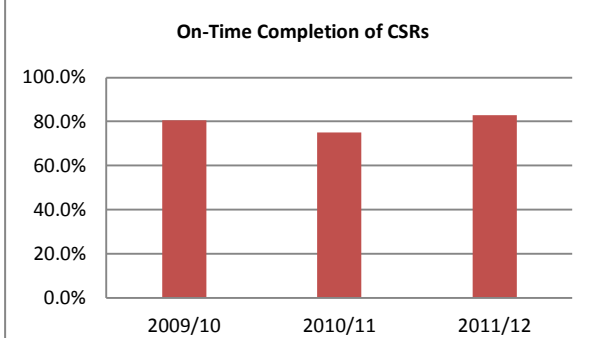
ENGINEERING

	<p style="text-align: center;"><i>Footpaths</i></p> <table border="1"> <caption>Footpaths Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr><td>1996</td><td>64</td><td>25</td></tr> <tr><td>1999</td><td>68</td><td>24</td></tr> <tr><td>2002</td><td>71</td><td>18</td></tr> <tr><td>2005</td><td>71</td><td>22</td></tr> <tr><td>2008</td><td>71</td><td>21</td></tr> <tr><td>2009</td><td>77</td><td>17</td></tr> <tr><td>2010</td><td>72</td><td>23</td></tr> <tr><td>2011</td><td>71</td><td>20</td></tr> <tr><td>2012</td><td>71</td><td>22</td></tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	1996	64	25	1999	68	24	2002	71	18	2005	71	22	2008	71	21	2009	77	17	2010	72	23	2011	71	20	2012	71	22
Year	Very/fairly satisfied (%)	Not very satisfied (%)																													
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<p>Bend – lost control/head-on crashes on rural roads are equal to the national average by 2018. [Target: 5% above national average by 2011/2012]</p>	<p>Actual = 1% above the national average [2011: 13% above national average].</p> <p>TDC Actual = 56% (Local Roads only) [2011: 68%] All NZ = 55% (Local authority roads only) [2011: 55%]</p> <p>This reporting by NZTA’s Crash Analysis system runs from Jan 2011 – Dec 2011 so does not match the Council reporting year.</p>																														
<p>Road maintenance reseals and pavement rehabilitation budgets are managed to within the range $\pm 2\%$.</p>	<p>Actual = + 2.2% [2011: +0.05%]</p> <p>Variance of + 2.2% across the subsidised maintenance, reseals and pavement rehabilitation budgets. Higher variance was due to the more severe winter in June increasing spend on frost & ice control.</p>																														
<p>We can reduce the number of speed or weight restricted bridges by 1 per year for the next 10 years until only 18 remain. [Target: Restricted bridges remaining: Year 3=25]</p>	<p>Actual = 25 [2011: 26]</p> <p>2 weight or speed restrictions were removed in 2011/12 from the list. At Awaroa a bridge was replaced with a concrete box culvert.</p> <p>The restricted James Road Bridge, which was swept away in 10/11 was replaced with a new bridge in 11/12. The new bridge has no weight restriction.</p>																														
<p>The average quality of the ride experienced by motorists, as measured by the Smooth Travel Exposure index (STE), is maintained at current levels. [Target: 94%]</p>	<p>Actual = 96% [2011: 96%]</p> <p>A higher percentage of travel is undertaken on smooth sealed roads. This information is taken from the NZ Transport Agency RAMM report and covers all sealed urban/rural roads.</p>																														
<p>All dwellings within the District are able to access the Council’s transportation network at all times unless subject to planned closures. [Target: 100%]</p>	<p>Actual = It is impossible to avoid all emergency road closures in the event of natural hazards. Tasman District Council aim to keep the numbers and duration of emergency closures to a minimum.</p> <p>This Level of Service is no longer measured in 2012/13.</p>																														
<p>An annual programme of new footpaths as agreed with the communities is constructed to Council standards. [Target: 100%]</p>	<p>Actual = 100%</p> <p>A new footpath has been constructed on Champion Road and Martin Farm Road with footpaths committed for construction on Riwaka Kaiteiteri and Aranui Roads.</p>																														

ENGINEERING

<p>Capital projects are completed on time, within budget and to Council Engineering Standards and policies. [Target: 90%]</p>	<p>Actual = Subsidised 99.5%, non subsidised 65.1% overall by \$ value 92.8% - excludes Tasman Trails Trust and Road Legalisation.</p> <p>All projects were designed and constructed to Council Engineering Standards or an agreed Standard approved by the Engineering Manager.</p>																														
<p>Council increases the network of walking and cycling paths by 8km by 2019. [Target: 2.2km in Year 3]</p>	<p>Actual = 12-15 km</p> <p>Tasman Trail Trust constructed several paths including Rabbit island, Lower Queen Street, Eden Road and Pugh Road.</p>																														
<p>Our surveys show that 70% of customers are satisfied with the transportation service they receive. [Target: 70%]</p>	<p>Actual = 78% of residents are satisfied with roading in the District [2011: 81% satisfied]</p> <p style="text-align: center;"><i>Roads</i></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr><td>1996</td><td>65</td><td>35</td></tr> <tr><td>1999</td><td>70</td><td>30</td></tr> <tr><td>2002</td><td>64</td><td>35</td></tr> <tr><td>2005</td><td>76</td><td>24</td></tr> <tr><td>2008</td><td>76</td><td>23</td></tr> <tr><td>2009</td><td>73</td><td>27</td></tr> <tr><td>2010</td><td>64</td><td>36</td></tr> <tr><td>2011</td><td>81</td><td>18</td></tr> <tr><td>2012</td><td>78</td><td>22</td></tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	1996	65	35	1999	70	30	2002	64	35	2005	76	24	2008	76	23	2009	73	27	2010	64	36	2011	81	18	2012	78	22
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<p>Council has adopted a Passenger Transport Plan after consultation with the community. [Target: Completed in Year 1]</p>	<p>Actual = Passenger Transport Strategy in place and has been adopted Funding for implementing a passenger transport plan has been pulled.</p>																														

ENGINEERING

<p>We are able to respond to and fix faults within the timeframes we have specified within our operations and maintenance contracts. [Target: 90%]</p>	<p>Actual = 82.8% of Customer Service Requests were completed within the specified timeframes. [2011: 75%]</p>  <table border="1"> <caption>On-Time Completion of CSRs</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2009/10</td> <td>80.0%</td> </tr> <tr> <td>2010/11</td> <td>75.0%</td> </tr> <tr> <td>2011/12</td> <td>82.8%</td> </tr> </tbody> </table>	Year	Percentage	2009/10	80.0%	2010/11	75.0%	2011/12	82.8%
Year	Percentage								
2009/10	80.0%								
2010/11	75.0%								
2011/12	82.8%								
<p>We have a facility for receiving and handling emergency calls after office hours.</p>	<p>Actual = In place</p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>								
<p>We have operative risk management processes in place and planned mitigation measures completed.</p>	<p>Actual = Framework complete and implementation underway.</p> <p>TDC have adopted an Integrated Risk Management approach to their asset management and organisational decision making. The framework has been completed and is being implemented at organisational and activity management level.</p>								
<p>All Council's contractors have adequate resources available in case of a road failure.</p>	<p>Actual = In place</p> <p>All Council's contractors have adequate resources available and have demonstrated this during the year, particularly December 2011.</p>								
<p>There are no loss of control crashes for all known frost potential sites.</p>	<p>Actual = There were three loss of control crashes occurring on Ice/Snow during 2011. One occurred at a known frost potential site. This reporting by NZTA's Crash Analysis system runs from Jan 2011 – Dec 2011 so does not match the Council reporting year.</p>								

Major Activities

	Budget \$	Actual Expenditure \$	
<p>Sealed Roads Rehabilitation approximately 6km per year.</p>	<p>700,000</p>	<p>467,876</p>	<p>Projects undertaken include Aniseed Valley Road, Neudorf Road, Tapawera Baton Road, Moutere Highway, Hill Street South, Queen Victoria Street and two sites on Whakarewa Street. The total length of pavement rehabilitation that was carried out was around 3km on the sealed road network. The estimated length of rehabilitation works is between six and eight kilometres per year. The funding criteria for this work activity, as set by NZTA, make it very difficult for Tasman District Council to meet. This is due to the low volume roads.</p>

ENGINEERING

Minor Safety Improvements.	941,960 (plus \$148,486 to be carried over from 2010/2011).	\$1,509,304	This activity was complete by 30 June 2012. There was a high demand on the Minor Improvement budget to assist funding other capital projects. These included Arbor Lea Signals on Salisbury Road, the Yellow Pine Bridge construction and Turners Bluff realignment. Other significant projects completed under this funding category include: <ul style="list-style-type: none"> • The design and construction of pedestrian improvements in Richmond. • The design and construction of shoulder widening on the Moutere Hill. • The undergrounding of Gladstone Road. • SH 60 Tudor Street intersection modifications.
Kerb, Channel and Footpaths	292,976 (plus \$38,077 to be carried over from 2010/2011).	169,674	Rehabilitation work carried out to four sites in Ruby Bay, Richmond, Kaiteriteri and Takaka. Work procured on Aranui (Mapua Kerb and Channel) & Riwaka Kaiteriteri Road prior to 30 June but not constructed.
Road Legalisation - land purchases	300,000	\$144,858	Road legalisation land purchases are undertaken when required. Land purchase to various sites including Tasman View Road, Eden / Pugh, Eden / Ranzau, Swamp / Umukuri, and Ellis / Bryant intersections. Underspend budget to be assigned to Turners Bluff.
Lower Queen Street - land purchases	400,000	\$248,416	\$112,416 spent on land purchase and \$136,000 spent on building purchase
Turner's Bluff Realignment	255,000	\$143,279	Project delayed due to significant archaeological find. Alternative options for safe and efficient route being investigated
Route study at Aniseed Valley.	32,912	0	Work undertaken under subsidised "network and asset management" work category in order to receive NZTA subsidy.
Tasman Cycle Loop (includes funding of \$1.8 million being provided for this project from the Ministry of Economic Development, plus \$100,000 from Reserve Financial Contributions and \$110,000 from the Nelson Cycleway Trust.)	2,385,882	978,934	The Wairoa Suspension Bridge was opened on 8 July 2012 completing the link to Brightwater. 12-15km of trail completed in 2011/12.
Bridge Renewals – Yellowpine Creek Bridge on Pakawau-Bush Road and Awaroa Road Bridge 1, Awaroa Road. (Specific bridges subject to funding confirmation).	440,000	171,678	Awaroa Bridge completed Yellowpine Creek Bridge under construction. Completion delayed by poor contractor performance.

ENGINEERING

New Footpath construction district-wide.	109,708 (plus \$71,564 to be carried over from 2010/2011).	167,663	New footpaths to Champion Road, Ellis Street, Boundary Road and Rototai Road. Aranui Road & Riwaka Kaiteriteri Road footpaths were procured prior to 30 June but not constructed.
Re-seal Cobb Valley (lower road)	117,124	0	Work deferred as funding partner (Department of Conservation) was unable to contribute in 2011/12. Work programmed in 2012 LTP over three years starting in 12/13
James Road Bridge Replacement	1,200,000	1,208,320	The James Road bridge was officially opened in early February 2012. The budget for this project was revised to \$1.4m.

ENGINEERING

Jun-11 Actual \$	Subsidised Land Transportation	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
6,051,833	General Rates	6,320,573	6,269,212	101%
-	Development Contributions	-	138,934	0%
7,614,637	New Zealand Transport Agency Subsidy	10,634,660	8,366,430	127%
345,020	Petrol Tax	327,488	323,000	101%
260,693	Fees and Recoveries	250,230	159,860	157%
447,633	Sundry Income	484,229	466,059	104%
14,719,816	TOTAL INCOME	18,017,180	15,723,495	115%
	OPERATING COSTS			
8,993,584	Maintenance	8,601,525	7,518,826	114%
849,578	Loan Interest	953,993	1,090,207	88%
5,027,929	Depreciation	5,390,060	5,888,521	92%
14,871,091	TOTAL OPERATING COST	14,945,578	14,497,554	103%
151,275	NET COST OF SERVICE (SURPLUS)	(3,071,602)	(1,225,941)	251%
	TOTAL FUNDS REQUIRED			
151,275	Net Cost of Service (Surplus)	(3,071,602)	(1,225,941)	251%
7,990,771	Capital	12,810,912	10,389,924	123%
-	Transfer to Restricted Reserves	-	43,165	0%
899,357	Loan Principal Repaid	985,538	1,110,912	89%
9,041,403		10,724,848	10,318,060	-
	SOURCE OF FUNDS			
3,831,717	Loans Raised	4,472,272	4,429,539	101%
317,400	Restricted Reserves Applied	-	-	-
(135,643)	General Funds	862,516	-	-
4,013,474		5,334,788	4,429,539	120%
	NON- FUNDED DEPRECIATION			
5,027,929	Depreciation to be funded at income statement level	5,390,060	5,888,521	92%
9,041,403		10,724,848	10,318,060	104%

Comment:

Maintenance expenditure is over budget due to the following reasons.

- \$2.5m was spent on emergency works relating to the December 2011 rain event, of which \$2.25m was capitalised. This was funded at 63% by the New Zealand Transport Agency (NZTA).
- \$202,000 spent on emergency works for June 2012 events. As NZTA had not approved a subsidy for these costs by year end, no allowance has been made for any subsidies receivable.
- Additional costs due to additional pavement maintenance being completed to support the resurfacing programme, greater than expected reactive environmental maintenance including frost/ice control, slips and trees.
- Additional network and asset management costs including work related to retendering road maintenance contracts, and supporting the new Activity Management Plan (AMP) preparation.

Capital and loans raised are slightly over budget due to carry-forward projects being completed, and the capitalisation of some emergency works expenditure.

ENGINEERING

Jun-11 Actual \$	Non Subsidised Land Transportation	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
2,373,753	General Rates	2,698,284	2,676,306	101%
5,733	Targeted Rates	5,733	5,733	100%
1,483,958	Development Contributions	1,293,454	654,134	198%
762,748	Fees and Recoveries	1,927,934	2,486,928	78%
390	Interest Received	275	-	-
217,000	Sundry Income	234,740	225,932	104%
4,843,582	TOTAL INCOME	6,160,420	6,049,033	102%
	OPERATING COSTS			
2,337,880	Maintenance	2,938,614	2,304,119	128%
378,494	Loan Interest	405,437	506,120	80%
4,009,927	Depreciation	4,401,021	4,839,996	91%
6,726,301	TOTAL OPERATING COST	7,745,072	7,650,235	101%
1,882,719	NET COST OF SERVICE (SURPLUS)	1,584,652	1,601,202	99%
	TOTAL FUNDS REQUIRED			
1,882,719	Net Cost of Service (Surplus)	1,584,652	1,601,202	99%
2,933,048	Capital	2,778,047	4,840,653	57%
451,487	Loan Principal Repaid	447,982	853,080	53%
274,191	Transfer to Restricted Reserves	893,095	218,676	408%
5,541,445		5,703,776	7,513,611	76%
	SOURCE OF FUNDS			
1,549,225	Loans Raised	1,684,770	2,673,615	63%
(17,707)	General Funds	(382,015)	-	-
1,531,518		1,302,755	2,673,615	49%
	NON- FUNDED DEPRECIATION			
4,009,927	Depreciation to be funded at income statement level	4,401,021	4,839,996	91%
5,541,445		5,703,776	7,513,611	76%

Comment:

Fees and recoveries, and capital costs are down on budget mainly due to the timing of the work on the Tasman Cycle Loop.

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

Maintenance is over budget due to:

- \$328,000 spent on the Nelson City section of the cycleway. This had not been budgeted for as an expense. [All cycleway projects had been budgeted for as capital].
- \$185,000 paid for compensation towards the permanent depreciation in the value of land retained by a landowner from a Richmond West land purchase.

Capital expenditure is down on budget due to the timing of projects.

ENGINEERING

COASTAL STRUCTURES

What We Do

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

Assets currently in this activity include:

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

Why We Do It

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

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

Our goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

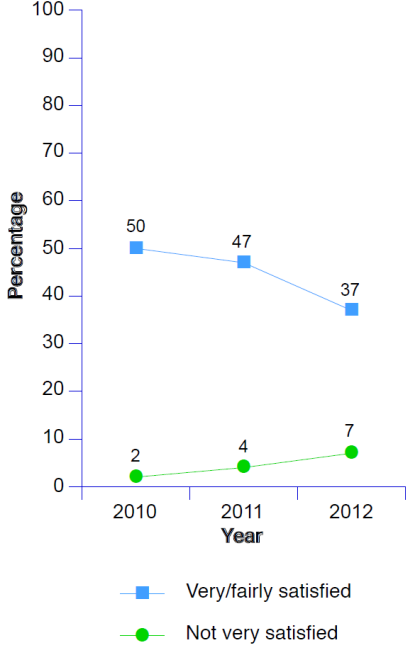
- Our coastal systems are sustainable.
- Our coastal activities are managed at a level that satisfies the community.
- Faults in the coastal assets are responded to and fixed promptly.
- Our navigation aid systems are built so that failures can be prevented. If failures do occur they can be responded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

How We Measure Progress

All coastal protection systems have resource consent with appropriate conditions which we consistently meet.
[Target: 100%]

For those coastal protection systems with a resource consent, there have been no abatement notices issued for breach of resource consent conditions. Broadsea wall has been notified for a resource consent extension, with a consent hearing scheduled for October 2012.

ENGINEERING

<p>Our three-yearly surveys show that 80% of customers are satisfied with the service of the coastal activity they receive. [Target: 70% for first three years of Ten Year Plan.]</p>	<p>37% of residents surveyed satisfied with Council's harbour management work, with 57% of respondents not knowing enough to comment, which means 86% of those with knowledge were satisfied or very satisfied. (47%, 49% and 92% being the equivalent 2010/2011 figures)</p> <p><i>Harbour Management And Safety Activity</i></p>  <table border="1"> <caption>Harbour Management And Safety Activity - Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>50</td> <td>2</td> </tr> <tr> <td>2011</td> <td>47</td> <td>4</td> </tr> <tr> <td>2012</td> <td>37</td> <td>7</td> </tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	2010	50	2	2011	47	4	2012	37	7
Year	Very/fairly satisfied (%)	Not very satisfied (%)											
2010	50	2											
2011	47	4											
2012	37	7											
<p>The marina at Tarakohe is operating at 90% capacity or greater. [Target: 95%]</p>	<p>The marina is currently oversubscribed (130% of capacity). [2010: 110% oversubscribed]</p>												
<p>We are able to respond to and fix faults (e.g. localised damage to rock protection works, damage to navigational aids) within the timeframes we have agreed with our suppliers and operators. [Target: 90%]</p>	<p>All Council's contractors have adequate resources available in case of asset failures. This has been tested and the contractors are able to meet the expected level of service.</p>												
<p>We have a facility for receiving and handling emergency calls after office hours.</p>	<p>Actual = In place Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>												
<p>Our access and navigational systems meet the appropriate Maritime Transport standards and guidelines. [Target: 100%]</p>	<p>Our navigational systems are not as comprehensive as they could be. Due to budget constraints a prioritised review was undertaken last winter. Some obsolete navigational aids were removed and 15 new navigational aids were installed at Mapua, the coast between Motueka and Riwaka, and Collingwood.</p>												
<p>We have operative risk management processes in place and planned mitigation measures completed.</p>	<p>Actual = Framework complete and implementation underway. TDC have adopted an Integrated Risk Management approach to their asset management and organisational decision making. The framework has been completed and is being implemented at organisational and activity management level.</p>												

ENGINEERING

Major Activities

<i>Capital Works</i>			
During the 2011/2012 financial year Council proposes to undertake the following capital works.			
<u>Activity</u>	<u>Budget \$</u>	<u>Actual Expenditure \$</u>	
Mapua Wharf upgrade, including re-roofing wharf sheds and deck and pile replacements, Navigational Aids, and Mapua Pontoon replacement.	\$240,000 (plus \$100,000 to be carried over from 2010/2011).	230,143	The pontoon replacement has been completed. The navigation aids are 75% complete. A tender has been accepted for the re-roofing and work commenced in August 2012.

Jun-11 Actual \$	Coastal Structures	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
348,945	General Rates	419,466	416,045	101%
131,754	Targeted Rates	131,930	131,204	101%
621,555	Fees and Recoveries	744,837	761,184	98%
-	Interest Received	26,262	-	-
34,813	Sundry Income	37,659	36,246	104%
1,137,067	TOTAL INCOME	1,360,154	1,344,679	101%
	OPERATING COSTS			
126,643	Motueka	1,119,619	60,501	1851%
99,175	Tarakohe	243,899	175,690	139%
99,490	District Wharves & Boat Ramps	200,311	166,534	120%
376,252	Loan Interest	333,367	499,485	67%
385,821	Depreciation	398,750	446,542	89%
1,087,381	TOTAL OPERATING COST	2,295,946	1,348,752	170%
(49,686)	NET COST OF SERVICE (SURPLUS)	935,792	4,073	22975%
	TOTAL FUNDS REQUIRED			
(49,686)	Net Cost of Service (Surplus)	935,792	4,073	22975%
204,370	Capital	328,942	429,495	77%
329,861	Loan Principal Repaid	352,671	414,820	85%
51,375	Transfer to Restricted Reserves	52,454	14,222	369%
535,920		1,669,859	862,610	194%
	SOURCE OF FUNDS			
192,730	Loans Raised	295,114	279,495	106%
61,276	Restricted Reserves Applied	968,349	136,573	709%
(103,907)	General Funds	7,646	-	-
150,099		1,271,109	416,068	306%
	NON- FUNDED DEPRECIATION			
385,821	Depreciation to be funded at income statement level	398,750	446,542	89%
535,920		1,669,859	862,610	194%

ENGINEERING

Comment:

Motueka operating costs include expenditure on the Motueka Groyne and Jackett Island. There has been \$1,087,000 spent on these projects for legal fees, consultancy and physical works for the 2011/2012 year [Budgeted \$150,000]. The issues arising from this project stem from the Environment Court Interim Decision in the matter between the Van Dyke Family Trust and the Tasman District Council issued in March 2011. The Court found that the placement of the Port Motueka geotextile groyne on the Motueka sand spit by the Council in 1996 has led to the formation of the spit in its present form which in turn, has brought about the erosion on Jackett Island. Resource consent for the full removal of the groyne was granted on 12 March 2012. The physical work on the removal of the groyne began on 25 June 2012.

Fees and recoveries are down on budget due to the new marina at Port Tarohe not having being built. This is mainly offset by a Rock Revetment Contribution received for the Old Mill Walkway (budgeted for in a prior year).

AERODROMES

What We Do

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

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

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

ENGINEERING

How We Measure Progress

All associated facilities are required to connect to the community sewerage system where it is available. [Target: 100%]	All associated facilities are connected to community wastewater systems where available.
Activities are controlled so as to minimise noise pollution to an acceptable level. [Target: 100%]	An Operations and Safety Committee has been formed at Motueka which meets every four months. It will monitor this activity and it has a role in encouraging best practice for aerodrome users.
We receive less than five complaints per year relating to noise from our aerodromes.	We receive noise complaints about operational aircraft. However, there are no noise standards for aircraft before takeoff, during takeoff and after landing. The Civil Aviation Authority is the only organisation able to deal with aircraft noise complaints. We are of the view that this performance measure is not appropriate and was reviewed and removed from the Long Term Plan 2012-2022.
The height for structures on adjacent properties within the flight paths is not increased beyond that currently required. [Target: 100%]	There have been no breaches for these requirements.
The community and stakeholders are consulted over aerodrome development plans. [Target: 100%]	The Motueka Aerodrome Development Plan has been public consulted on. Hearings are scheduled for the 24 th September 2012, and the final plan will be reported to Council in November.
Notification (via NOTAMS) to all aviation aerodrome users is provided as required through the Civil Aviation Authority. [Target: 100%]	All notifications (via NOTAMS) to all aviation aerodrome users is provided as required through the Civil Aviation Authority.
We are able to respond to and fix faults within the timeframes we have specified with our operations and maintenance contracts and in accordance with the Civil Aviation Authority requirements. [Target: 100%]	We are able to respond to and fix all faults within the timeframes we have specified with our operations and maintenance contracts and in accordance with the Civil Aviation Authority requirements.
We have a facility for receiving and handling emergency calls after office hours.	Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies.
We have operative risk management processes in place and planned mitigation measures completed.	Operative risk management processes planned mitigation measures will be included as part of future plans. Council is currently working through a risk management process. The risk management assessment has been completed, and the outcomes of this assessment are being incorporated into the Activity Management Plan updates undertaken as part of the 2012-2022 Long Term Plan.
Except for planned maintenance, the facilities comply with Civil Aviation Authority requirements at all times.	The facilities comply with Civil Aviation Authority requirements at all times.
Spare equipment is held for navigational aids.	There is spare equipment held for navigational aids.

ENGINEERING

Major Activities

Activity	Budget \$	Actual Expenditure \$	
Council will be reviewing the management of the Motueka aerodrome and will develop emergency plans for the aerodrome.	15,000	3,128	The emergency plan was approved in April 2012. The Motueka Aerodrome Development Plan has been public consulted on. Hearings are scheduled for the 24 th September 2012, and the final plan will be reported to Council in November.

Jun-11 Actual \$	Aerodromes	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
8,585	General Rates	13,713	13,600	101%
78,876	Fees and Recoveries	97,584	128,720	76%
4,528	Sundry Income	4,898	4,714	104%
91,989	TOTAL INCOME	116,195	147,034	79%
	OPERATING COSTS			
32,835	Takaka	9,234	33,577	28%
71,371	Motueka	89,121	101,494	88%
5,552	Loan Interest	4,685	5,101	92%
96,698	Depreciation	91,497	103,381	89%
206,456	TOTAL OPERATING COST	194,537	243,553	80%
114,467	NET COST OF SERVICE (SURPLUS)	78,342	96,519	81%
	TOTAL FUNDS REQUIRED			
114,467	Net Cost of Service (Surplus)	78,342	96,519	81%
-	Capital	6,200	-	-
7,251	Loan Principal Repaid	5,985	6,862	87%
121,718		90,527	103,381	88%
	SOURCE OF FUNDS			
25,020	General Funds	(970)	-	-
25,020		(970)	-	-
	NON- FUNDED DEPRECIATION			
96,698	Depreciation to be funded at income statement level	91,497	103,381	89%
121,718		90,527	103,381	88%

WATER SUPPLY

What We Do

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

Tasman District Council owns, operates and maintains 10 Urban Water Supply Schemes, three Rural Supply Schemes, and three Community Schemes.

Why We Do It

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

Territorial authorities have numerous responsibilities relating to the supply of water. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within the District. This implies that, in the case of the provision of potable water, councils have the obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

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

ENGINEERING

How We Measure Progress

All water takes have resource consents with appropriate conditions which we consistently meet. [Target: 100%]	Actual = 100% A current resource consent is in place for each water take. No abatement notices have been received for breach of resource consent.
No advisory notices are issued to boil water.	Actual = 6 [2011: 3] (includes permanent notice at Dovedale). Three related to December 2011 flood.
Our water supplies have a Public Health Risk Management Plan (PHRMP) in place. [Target: Year 3: 88%]	Actual = 8 (50%) [2011: 31%] 9 th submitted in June 2012 and approved July 2012 and 10 th at draft stage
Grading of water supplies meets Drinking-Water Standards for New Zealand (DWSNZ). For Richmond that means a grading of Bb. All other communities will aim for a Cc. [Target: 2/16 schemes comply]	Actual = N/A (no schemes graded). Since compliance with DWSNZ has become mandatory, the grading process has been considered to be of a lower priority by the Ministry of Health. Tasman District Council has an extensive programme of upgrades to all supplies to meet DWSNZ. The PHRMPs highlight the upgrades needed to ensure a supply meets DWSNZ. Therefore, if the recommendations made in the PHRMP have been implemented, the supply can be deemed to meet DWS.
Testing of water supplies confirms that water meets DWSNZ. [Target: 100% notification of any non compliance]	Actual = Overall-97% <i>E.coli</i> - 97% P2 determinands-89% Overall monitoring compliance 2011: 98.5%
Water pressure to all urban and rural supply customers meets minimum pressure requirements as stipulated in the TDC Engineering Standards [Target: 95% of area covered by schemes meet the Standards].	Actual = >95% of area covered by schemes meet the Standards All supplies meet the minimum pressure requirements as a whole, but there are some isolated areas of exception. These are: <i>Richmond</i> – small area at high level above Hill Street; Cropp Place (approx < 20 properties in total). <i>Wakefield</i> – top of Hunt Terrace (approx 5 properties) <i>Mapua / Ruby Bay</i> – top of Crusader Drive <i>Collingwood</i> – couple of properties in Swiftsure Street by the reservoir
Acceptable water losses are identified for each water supply and a water loss reduction programme is in place to achieve those targets. [Target: 8 out of 16 supplies will have water loss programmes in place]	Actual = 5 Richmond, Waimea, Mapua, Brightwater, Wakefield
Urban water supply systems are able to meet W3 standard Code of Practice for Fire Fighting Water Supplies [Target: 90%].	Actual = 90% [2011: 90%] 9 out of 10 urban systems fully comply with the fire fighting capability. The vast majority of Richmond complies, with the exception of Cropp Place. Rural water supplies and community supplies don't provide fire-fighting capacity. Motueka has a network of fire wells which provide a limited fire-fighting service.
Our urban water supply systems are able to service new water supply connections from properties inside Council Water Supply Areas. [Target: By 2012, 9 out of 10 urban supplies will be able to accept new connections]	Actual = 9 out of 10. [2011: 9 out of 10] Urban schemes are able to service new connections to the system. New connections are not presently being accepted in Mapua/Ruby Bay. This issue will be resolved with the construction of the CTA.

ENGINEERING

<p>Council's Water and Sanitary Service Assessments (WSSA) identifies communities which could benefit from a new Council owned water supply scheme and makes a decision on whether to plan for a new scheme to be developed. The WSSA will be reviewed in 2010/2011</p>	<p>Actual = The initial WSSA was produced in 2005. It identified Motueka as a Priority 1 community for water supply. The communities of Marahau/Sandy Bay, Tasman/Kina, Pohara, Ligar Bay, Tata Beach, Takaka and Patons Rock were identified as Priority 2 communities.</p> <p>The next update to the WSSA has been postponed due to change in the LGA requirements and will be completed in 2015/16.</p>
<p>Our surveys show that 80% of customers are satisfied with the water supply service they receive.</p>	<p>Actual = 83%</p> <p>83% of receivers of the service were found to be satisfied with the service they receive. [2011: 86%]</p>
<p>We are able to respond to and fix faults within the timeframes specified in our operations and maintenance contracts. [Target: 90%]</p>	<p>Actual = 98% [2011: 98%]</p>
<p>We have a facility for receiving and handling emergency calls after hours.</p>	<p>Actual = In place</p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>
<p>We have an operative risk management framework in place and have planned mitigation measures. [Target: Plan developed in Year 1 and In place and operating by Year 3]</p>	<p>Actual = Framework complete and implementation underway.</p> <p>TDC have adopted an Integrated Risk Management approach to their asset management and organisational decision making. The framework has been completed and is being implemented at organisational and activity management level.</p>
<p>We have the following water storage in the water supply systems: <i>Urban</i>: - one day at average annual demand. <i>Rural</i>: - six hours at average annual demand. [Target: Year 3 - 13 of 13 schemes]</p>	<p>Actual = 12 of the 13 schemes have the required storage. [2011: 12 of the 13 schemes have the required storage].</p> <p>All three rural schemes meet storage requirements.</p> <p>9 of the 10 urban supplies meet the required storage. Richmond fails to meet the requirement. Schemes are identified within the LTP to construct new reservoirs in this area.</p>
<p>We have constructed and maintain hydraulic models of our water supply systems to ensure we have the best knowledge and understanding of each system. [Target: Year 3: 50%]</p>	<p>Actual = 6 out of 10 [2011: 37.5%]</p> <p>Richmond, Waimea, Mapua, Brightwater, Wakefield, Motueka</p>

ENGINEERING

Major Activities

<i>Capital Works</i>			
During the 2011/2012 financial year Council proposes to undertake the following capital works			
<u>Activity</u>	<u>Budget \$</u>	<u>Actual Expenditure \$</u>	
CTA/Coastal Pipeline (2010 - 2019)	1,046,665	160,369	Land purchase on-going. Design on hold.
Motueka – Poole Street new water main	300,000	9,138	Project deferred.
Richmond Major Projects:			
• Reticulation renewals or upgrades (2010 onwards)	330,369	26,837	Design work is completed. Contract has been awarded with contractor due on site August 2012.
• Re-zoning (2010-2014)	535,512	79,795	Design work is completed. Contract has been awarded with contractor due on site August 2012.
• Richmond East (2010-2016)	130,882	28,587	Land purchase has been completed. Design of road formation and reservoir site has been completed. Earthworks contract awarded. Award of Separable Portion 2 of the contract delayed until road legalisation is finalised
• Treatment Plant (2010-2013)	600,000	692,701	Investigation work on the proposed site for the Richmond Water Treatment Plant has been completed. Detailed design continues on the pipe reconfiguration and treatment process. Construction scheduled for 2012/2014.
• Lee Valley Dam Contribution (2010-2012)	250,000	250,000	Council continues to support the Waimea Water Augmentation Committee.
Tapawera pipeline renewals	164,562	141,439	Tapawera pipeline renewals have been completed. The remaining budget will be used to fund renewals of water laterals and valves.
District meter renewals	512,610	414,675	The contractor has made steady progress towards completion of this project. Remaining work in Tapawera is practically complete and all work has been completed to a good standard.

ENGINEERING

Jun-11 Actual \$	Water Supply	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
102,098	General Rates	102,484	101,650	101%
5,860,527	Targeted Rates	6,487,823	6,453,807	101%
572,686	Development Contributions	715,953	807,028	89%
728,575	Fees and Recoveries	445,168	770,223	58%
132,926	Sundry Income	143,794	138,398	104%
7,396,812	TOTAL INCOME	7,895,222	8,271,106	95%
	OPERATING COSTS			
3,762,898	Urban Water	4,368,722	3,965,066	110%
3,651	Takaka	2,675	24,164	11%
356,622	Motueka	225,865	195,984	115%
64,654	88 Valley	69,646	61,917	112%
223,158	Dovedale	211,367	163,289	129%
150,622	Redwood Valley	131,389	147,270	89%
4,323	Hamama	5,810	7,573	77%
36,444	Pohara	46,917	36,864	127%
1,079,140	Loan Interest	1,181,262	1,460,608	81%
2,927,382	Depreciation	2,959,107	3,388,373	87%
8,608,894	TOTAL OPERATING COST	9,202,760	9,451,108	97%
1,212,082	NET COST OF SERVICE (SURPLUS)	1,307,538	1,180,002	111%
	TOTAL FUNDS REQUIRED			
1,212,082	Net Cost of Service (Surplus)	1,307,538	1,180,002	111%
5,437,603	Capital	3,018,194	4,216,790	72%
574,023	Transfer to Restricted Reserves	299,664	692,053	43%
1,110,580	Loan Principal Repaid	886,730	1,340,851	66%
8,334,288		5,512,126	7,429,696	74%
	SOURCE OF FUNDS			
334,881	Restricted Reserves Applied	-	133,454	0%
4,956,670	Loans Raised	2,553,019	3,907,869	65%
115,355	General Funds	-	-	-
5,406,906		2,553,019	4,041,323	63%
	NON- FUNDED DEPRECIATION			
2,927,382	Depreciation to be funded at income statement level	2,959,107	3,388,373	87%
8,334,288		5,512,126	7,429,696	74%

Comment:

Fees and recoveries are down on budget. A government subsidy of \$292,701 for the Murchison Water Treatment Plant was budgeted for (received \$Nil). Also, for the Motueka water scheme, connection charges of \$28,261 have been refunded as they were already charged on the consent last financial year. Also connection charges of \$82,800 (invoiced last financial year) have been refunded for the Brown Acre Development on Parker Street. These will be re-invoiced on an individual basis.

Capital expenditure includes \$1,412,000 spent on projects carried forward from the last financial year [Budgeted carry-forwards total \$1,929,000]. Current year capital expenditure is down on budget due to the timing of projects and land acquisition issues.

WASTEWATER

What We Do

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

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

Why We Do It

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

Territorial Authorities have numerous responsibilities relating to wastewater. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within the District. This implies that, in the case of the provision of wastewater services, councils have the obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

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

ENGINEERING

How We Measure Progress

<p>All wastewater treatment plants (WWTP's) hold all necessary resource consents. [Target: 100%]</p>	<p>Actual = 100% [2011: 100%]</p> <p>All WWTPs hold all necessary consents</p>														
<p>All wastewater treatment plants meet the minimum compliance levels in the resource consents. [Target: 90%]</p> <p>This measure covers those consent conditions requiring laboratory testing only.</p>	<p>Actual = 92% (Average) [2011: 89%]</p> <table border="0"> <tr><td>Collingwood</td><td>95%</td></tr> <tr><td>Motueka</td><td>90%</td></tr> <tr><td>Murchison</td><td>97%</td></tr> <tr><td>St. Arnaud</td><td>93%</td></tr> <tr><td>Takaka *</td><td>78%</td></tr> <tr><td>Tapawera</td><td>100%</td></tr> <tr><td>Upper Takaka</td><td>100%</td></tr> </table> <p>This measure covers those consent conditions requiring laboratory testing only.</p>	Collingwood	95%	Motueka	90%	Murchison	97%	St. Arnaud	93%	Takaka *	78%	Tapawera	100%	Upper Takaka	100%
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<p>We can limit the number of overflows that cause beach closures or shellfish gathering bans to less than five per year.</p>	<p>Actual = 2 (Motueka WWTP on-going, Pohara Beach December 2011). [2011: 0]</p>														
<p>We can limit the number of overflows on private property due to Council system fault to less than five per year.</p>	<p>Actual = 74 [2011: 11]</p> <p>43 overflows due to rain events in December 2011 and June 2012. 7 overflows due to third party actions eg. Digger bucket.</p> <p>Detail of sewer overflows provided in the table below.</p>														
<p>We can limit the number of overflows from the sewer in a year to less than one per kilometre of sewer.</p>	<p>Actual = 0.24 per km (91 overflows/380km) [2011: 0.097/km]</p> <p>46 overflows due to rain events in December 2011 and June 2012. 7 overflows due to third party actions eg. Digger bucket.</p>														
<p>We can limit the number of overflows from pump stations per year to less than 10.</p>	<p>Actual = 3 [2011: 1] (Hill St WWPS – 5/10/2010)</p>														
<p>We receive less than 30 complaints per year relating to odour or noise from our wastewater systems.</p>	<p>Actual = 14 [2011: 26] (92% noise¹, 8% odour²)</p> <p>¹Relates to Customer Service Requests raised for pump station alarms, not all are complaints.</p> <p>²Odour continues to be a problem on the Pohara Wastewater Scheme and at the Motueka WWTP. Chemical dosing and carbon filters at pump stations have dramatically reduced complaints during the 2010/11 summer period.</p>														
<p>95% of properties within the Urban Drainage Areas are able to be connected to the Council's reticulation system at their boundary if they so choose.</p>	<p>Actual = 97.3% of properties within the UDAs are either connected or have been exempt from having to connect. [2011: 97.3%]</p>														
<p>Our Water and Sanitary Services Assessment (WSSA) identifies communities that we don't serve but that may benefit from having a Council-owned community scheme, and plans are in place in the AMP to consult with these communities. [Target: 100%]</p>	<p>Actual = The initial WSSA was produced in 2005. It identified Marahau/Sandy Bay, Tasman/Kina and Pakawau as Priority 1 communities for benefitting from a Council owned community service.</p> <p>The next update to the WSSA has been postponed due to change in the LGA requirements.</p>														

ENGINEERING

<p>Our surveys show that 80% of customers are satisfied with the wastewater service they receive.</p>	<p>Actual = 95%</p> <p>73% of residents are provided with a sewerage system (2011: 64%). Of these, 95% of receivers of the service were found to be satisfied with the service they receive. [2011: 93%]</p>
<p>We are able to respond to and fix faults within the timeframes we have specified with our operations and maintenance contracts. [Target: 90%]</p>	<p>Actual = 98% [2011: 96%]</p>
<p>We have a facility for receiving and handling emergency calls after office hours.</p>	<p>Actual = In place</p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>
<p>We have operative risk management process in place and planned mitigation measures completed.</p>	<p>Actual = Framework complete and implementation underway.</p> <p>TDC have adopted an Integrated Risk Management approach to their asset management and organisational decision making. The framework has been completed and is being implemented at organisational and activity management level.</p>
<p>All pump stations have standby pumps in case of mechanical failure. [Target: 100%]</p>	<p>Actual = 100% [2011: 100%]</p> <p>All pump stations have standby pumps.</p>
<p>Our pump stations have storage or standby electrical generation in case of power failure. [Target: 30%]</p>	<p>Actual = 17% of pump stations have either storage or on-site standby electrical generation. [2011: 17%]</p> <p>However, there are two portable generators available which are able to serve up to 53% of pump stations.</p>
<p>Our pump stations have telemetry to allow automatic communication of failures. [Target: 55%]</p>	<p>Actual = 60% [2011: 60%]</p> <p>46 of the 76 pump stations have telemetry.</p>

ENGINEERING

Major Activities

<i>Capital Works</i>			
During the 2011/2012 financial year Council proposes to undertake the following capital works.			
<u>Activity/project</u>	<u>Budget \$</u>	<u>Actual Expenditure \$</u>	
Treatment Plant Upgrades: • Motueka (2010 -2014)	500,000 (plus \$538,968 to be carried over from 2010/2011).	474,591	Concept and feasibility stage. Land negotiations continuing. Construction scheduled for 2014/15.
Continue to progress pipeline replacements across all schemes where pipes are failing.	1,477,767 (plus \$862,126 to be carried over from 2010/2011).	1,217,229	\$1.2m spent in Motueka and Richmond. The remaining budget is to be carried-over for the new gravity main constructed as part of Puketutu subdivision.
Replacement of significant Motueka mains: • High Street (2010-2012)	422,792	156,145	Project complete. Underspend used to cover overspend on other wastewater projects (Ruby Bay Tait Street sewer renewal, & Puketutu gravity sewer)
Kaiteriteri • Upgrade Breaker Bay pumpstation • Honeymoon Bay pump station electrics	80,187 96,642		These projects were completed in July 2012. There has been \$136,491 spent to 30 June 2012.

ENGINEERING

Jun-11 Actual \$	Wastewater	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
8,282,522	Targeted Rates	8,331,538	8,593,832	97%
537,232	Development Contributions	989,927	707,130	140%
1,133,974	Fees and Recoveries	717,943	602,974	119%
(884,454)	less share of NRSBU Owners Distribution	(559,876)	-	-
357,478	Sundry Income	386,703	372,193	104%
9,426,752	TOTAL INCOME	9,866,235	10,276,129	96%
	OPERATING COSTS			
6,077,641	Maintenance	6,893,911	6,224,952	111%
(1,127,307)	less share of NRSBU JV income	(1,195,236)	-	-
1,639,858	Loan Interest	1,566,450	1,753,887	89%
2,172,638	Depreciation	2,095,904	2,437,837	86%
8,762,830	TOTAL OPERATING COST	9,361,029	10,416,676	90%
(663,922)	NET COST OF SERVICE (SURPLUS)	(505,206)	140,547	-359%
	TOTAL FUNDS REQUIRED			
(663,922)	Net Cost of Service (Surplus)	(505,206)	140,547	-359%
4,553,436	Capital	4,655,333	2,720,665	171%
1,651,151	Loan Principal Repaid	1,742,005	2,211,594	79%
192,131	Transfer to Restricted Reserves	117,248	-	-
5,732,796		6,009,380	5,072,806	118%
	SOURCE OF FUNDS			
420,782	Restricted Reserves Applied	431,231	5,766	7479%
3,981,842	Loans Raised	4,430,990	2,629,203	169%
(842,466)	General Funds	(948,745)	-	-
3,560,158		3,913,476	2,634,969	149%
	NON- FUNDED DEPRECIATION			
2,172,638	Depreciation to be funded at income statement level	2,095,904	2,437,837	86%
5,732,796		6,009,380	5,072,806	118%

Comment:

Loan principal repaid includes the additional \$884,454 principal repayment made from the NRSBU owners distribution received last year.

Sewerage connection charges are down on budget.

Capital expenditure includes \$3,205,000 spent on projects carried forward from the last financial year [Budgeted \$3,927,384]. These have been funded by carry-forward funding and restricted reserve.

STORMWATER

What We Do

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

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

Council manages its stormwater activities under 16 Urban Drainage Areas (UDA) and one General District Area. The General District Area covers the entire District outside the UDA. Typically these systems include small communities with stormwater systems that primarily collect and convey road run-off to suitable discharge points. It does not include land drains or river/stream systems. These are either the responsibility of Council under the Rivers Activity Management area or the responsibility of the landowners under the Tasman Resource Management Plan (TRMP).

Why We Do It

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

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

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

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

ENGINEERING

How We Measure Progress

<p>We have stormwater quality catchment management plans (SQMPs) for each urban drainage area which identify environmental values and set sustainable improvement targets to improve environmental values and amenity value to the community. [Target: Complete SQMP's for Richmond, Motueka and Mapua within the first three years.]</p>	<p>Actual = Richmond complete to first draft</p> <p>Motueka and Mapua not yet started.</p>
<p>We have discharge consents in place for each major urban stormwater discharge (controlling stormwater quality). [Target: Discharge consents in place for Richmond UDA. within the first three years.]</p>	<p>Actual = Discharge consents will not be obtained and implemented until catchment management plans have been carried out.</p>
<p>We control the discharge of pollutants from our stormwater systems to sustainable levels so there is minimal adverse impact on the quality of our natural freshwater and marine habitats. [Target: Improvement action plan to be determined within the first three years.]</p>	<p>Actual = This performance measure cannot be implemented at this stage.</p>
<p>We apply a sustainable design approach to all stormwater system upgrades. The primary aim in the design of open channels will be to nurture and provide environmental values in keeping with the surrounding environment and in providing and enhancing amenity value to the community.</p>	<p>Actual = Storm water upgrades have been carried out in accordance with the Tasman District Council Engineering Standards.</p>
<p>Stormwater drainage facilities are provided to service all Urban Drainage Areas.</p>	<p>Actual = All 15 urban drainage areas have stormwater facilities</p>
<p>Inlets, outlets, floodgates, detention dams and watercourses are kept open at all times through a proactive maintenance programme.</p>	<p>Actual = 100%</p>
<p>Work that is considered a priority to clear obstructions reported within the stormwater system is attended to within one working day of receiving notice, 90% of the time.</p>	<p>Actual = 98% [2011: 93%]</p>
<p>New primary stormwater systems (comprising a combination of open channels and/or pipes) are capable of containing a 1-in-20 year storm event.</p>	<p>Actual = All new primary stormwater systems are designed to TDC Engineering Standards which are aligned with this performance measure.</p> <p>Primary stormwater systems constructed this year include: Kotare Place and Patons Rock</p>

ENGINEERING

<p>New secondary stormwater systems are provided to accommodate stormwater flows from a 1-in-50 year storm event so that there is no damage to or nuisance effects on people or property.</p>	<p>Actual = All new secondary stormwater systems are designed to TDC Engineering Standards which are aligned with this performance measure.</p> <p>No secondary stormwater systems were constructed this year.</p>																																																																
<p>New open channels for major streams are capable of accommodating stormwater flows from a 1-in-100 year storm event so that there is no damage to or nuisance effects on people or property.</p>	<p>Actual = All new open channel systems are designed to TDC Engineering Standards which are aligned with this performance measure.</p> <p>No open channel projects were constructed this year.</p>																																																																
<p>Existing stormwater systems are capable of containing a 1-in-5 year storm event.</p> <p>Strategic upgrade work is programmed over the next 20 years, which will reduce the areas currently served with a 1-in-5 year level of service</p>	<p>Typical level of service within each stormwater UDA showing percentage of systems capable of coping with specified flood events</p> <table border="1" data-bbox="614 719 1225 1290"> <thead> <tr> <th>UDA</th> <th>1 in 2 Year Storm</th> <th>1 in 5 Year Storm</th> <th>1 in 10 Year Storm</th> </tr> </thead> <tbody> <tr><td>Richmond</td><td>20%</td><td>50%</td><td>30%</td></tr> <tr><td>Brightwater</td><td>30%</td><td>50%</td><td>20%</td></tr> <tr><td>Wakefield</td><td>40%</td><td>40%</td><td>20%</td></tr> <tr><td>Murchison</td><td>60%</td><td>20%</td><td>20%</td></tr> <tr><td>St Arnaud</td><td>20%</td><td>60%</td><td>20%</td></tr> <tr><td>Tapawera</td><td>10%</td><td>40%</td><td>50%</td></tr> <tr><td>Motueka</td><td>20%</td><td>60%</td><td>20%</td></tr> <tr><td>Mapua/ Ruby Bay</td><td>10%</td><td>40%</td><td>50%</td></tr> <tr><td>Tasman</td><td>40%</td><td>40%</td><td>20%</td></tr> <tr><td>Kaiteriteri</td><td>20%</td><td>60%</td><td>20%</td></tr> <tr><td>Takaka</td><td>30%</td><td>60%</td><td>10%</td></tr> <tr><td>Pohara</td><td>60%</td><td>30%</td><td>10%</td></tr> <tr><td>Ligar Bay/ Tata Beach</td><td>30%</td><td>60%</td><td>10%</td></tr> <tr><td>Collingwood</td><td>30%</td><td>40%</td><td>30%</td></tr> <tr><td>Patons Rock</td><td>70%</td><td>20%</td><td>10%</td></tr> </tbody> </table> <p>Upgrade work is programmed over the AMP period to reduce the areas currently served with a less than 1 in 5 year level of service.</p>	UDA	1 in 2 Year Storm	1 in 5 Year Storm	1 in 10 Year Storm	Richmond	20%	50%	30%	Brightwater	30%	50%	20%	Wakefield	40%	40%	20%	Murchison	60%	20%	20%	St Arnaud	20%	60%	20%	Tapawera	10%	40%	50%	Motueka	20%	60%	20%	Mapua/ Ruby Bay	10%	40%	50%	Tasman	40%	40%	20%	Kaiteriteri	20%	60%	20%	Takaka	30%	60%	10%	Pohara	60%	30%	10%	Ligar Bay/ Tata Beach	30%	60%	10%	Collingwood	30%	40%	30%	Patons Rock	70%	20%	10%
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<p>Our surveys show that at least 80% of customers are satisfied with the stormwater service they receive.</p>	<p>Actual = 86%</p> <p>63% of residents are provided with a piped stormwater collection (57% in 2011). Of these, 86% of receivers of the service were found to be satisfied with the service they receive.[2011: 81%]</p>																																																																
<p>We receive less than 10 complaints per year regarding health nuisance (noise, smells, mosquitoes, etc).</p>	<p>Actual = 1 [2011: 0]</p>																																																																
<p>We have a customer service facility for receiving and handling emergency calls 24 hours per day, 7 days per week.</p>	<p>Actual = In place</p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>																																																																
<p>Council's contractor guarantees emergency response times to attend a site in the event of an immediate flooding risk to property, including the deployment of sandbags where required.</p>	<p>Actual = Current service maintained</p>																																																																

ENGINEERING

A response to repair/reinstate open watercourses from flood damage is completed within 24 hours 90% of the time. [Target: Response within 24 hours 85% of the time – Year 3 only]

Actual = 98%

Major Activities

Capital Works

During the 2011/2012 financial year Council proposes to undertake the following capital works.

<u>Activity</u>	<u>Budget \$</u>	<u>Actual Expenditure \$</u>	
Little Kaiteriteri (2010 – 2012)	275,043	64,499	Contract complete. Underspend due to reduction in project scope.
Poole Street/ High Street, Motueka (2010 – 2012)	508,637	273,702	High Street works complete. Poole Street works deferred.
Main Road, Patons Rock (2010 – 2012)	250,000	146,060	Contract completed July 2012. The contract includes pipework ranging from 300mm to 450mm in diameter and a stream outfall.
Land Drainage Improvements/Culvert Upgrade, Tasman (2010 – 2012)	150,000	99,213	Tender due September 2012, construction scheduled for 2012/13.
Swiftsure Street and Gibbs Road, Collingwood	220,000 (plus \$77,249 to be carried over from 2010/2011).	61,895	A contract has been awarded for the re-construction of road pavement and stormwater improvements in Swiftsure Street, Collingwood. This work will improve stormwater control in this area as well as providing an all-weather access to the Collingwood water supply reservoir and is expected to be completed in October.

ENGINEERING

Jun-11 Actual \$	Stormwater	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
2,345,587	Targeted Rates	2,589,250	2,547,610	102%
304,858	Development Contributions	422,031	341,187	124%
14,185	Fees and Recoveries	17,850	5,566	321%
122,417	Sundry Income	132,425	127,456	104%
2,787,047	TOTAL INCOME	3,161,556	3,021,819	105%
	OPERATING COSTS			
992,238	Richmond	634,018	766,723	83%
186,021	Motueka	185,356	231,269	80%
89,319	Mapua/Ruby Bay	88,789	68,257	130%
58,186	Brightwater	53,697	40,170	134%
51,138	Wakefield	53,210	39,673	134%
44,706	Takaka	28,041	39,902	70%
14,487	Murchison	13,489	17,190	78%
119,281	General District	598,982	238,616	251%
635,537	Loan Interest	653,593	752,569	87%
1,227,524	Depreciation	1,295,279	1,396,535	93%
3,418,437	TOTAL OPERATING COST	3,604,454	3,590,904	100%
631,390	NET COST OF SERVICE (SURPLUS)	442,898	569,085	78%
	TOTAL FUNDS REQUIRED			
631,390	Net Cost of Service (Surplus)	442,898	569,085	78%
1,431,796	Capital	3,267,878	1,604,447	204%
36,978	Transfer to Restricted Reserves	95,173	229,987	41%
710,609	Loan Principal Repaid	409,742	793,200	52%
2,810,773		4,215,691	3,196,719	132%
	SOURCE OF FUNDS			
1,138,475	Loans raised	2,920,412	1,493,247	196%
131,821	Restricted Reserves Applied	-	306,937	0%
312,953	General Funds	-	-	-
1,583,249		2,920,412	1,800,184	162%
	NON- FUNDED DEPRECIATION			
1,227,524	Depreciation to be funded at income statement level	1,295,279	1,396,535	93%
2,810,773		4,215,691	3,196,719	132%

Comment:

Capital expenditure includes \$1,100,000 spent on projects carried forward from the last financial year. This has been funded by carry-forward funding of \$950,920 and Council reserves.

Capital expenditure includes \$1.5m on Richmond West land purchases. Richmond West land purchases have been budgeted for over the years in Councils Long Term Plans. However, the timing of these land purchases is difficult to budget for. Loans are up on budget due to this expenditure.

SOLID WASTE

What We Do

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

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

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

Why We Do It

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

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

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

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

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How We Measure Progress

<p>All sites have all required resource consents. [Target: 100%]</p>	<p>Actual = 100% [2011: 100%]</p>																																																
<p>All solid waste activities comply with any required resource consent conditions and site management plans [Target: 100%].</p>	<p>Actual = Average 96% [2011: Average 97%]</p> <table border="0"> <tr> <td>Eves Valley Landfill:</td> <td>98%</td> </tr> <tr> <td>Murchison RRC:</td> <td>94%</td> </tr> <tr> <td>Richmond RRC:</td> <td>91%</td> </tr> <tr> <td>Collingwood RRC:</td> <td>96%</td> </tr> <tr> <td>Takaka RRC:</td> <td>99%</td> </tr> <tr> <td>Mariri RRC:</td> <td>95%</td> </tr> <tr> <td>Closed Landfills</td> <td>100%</td> </tr> </table> <p>Non compliances are mainly as a result of lack of containment of batteries and paint at a number of the RRCs. This is awaiting budget approval to purchase new storage facilities. In-appropriate storage of other materials by the contractor. These are usually rectified immediately. Discharge of high sediment enriched stormwater at the landfill. A new flocculation system has been installed and trials continue to improve discharge quality.</p>	Eves Valley Landfill:	98%	Murchison RRC:	94%	Richmond RRC:	91%	Collingwood RRC:	96%	Takaka RRC:	99%	Mariri RRC:	95%	Closed Landfills	100%																																		
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<p>We sustainably recover waste products and increase the amount of these products recovered over time. [Target: Increasing trend in materials sustainably recovered]</p>	<p>Actual = 22.7% (2011: 20.3% based on tonnage)</p> <p>Actual = Waste recovery figures have increased from last year which was 20.3%. This is mainly due to the on-going recovery of glass at Owens-Illinois (O-I) (NZ glass manufacturer).</p> <p>Actual = Waste recovery figures have increased from last year which was 20.3%. This is mainly due to the on-going recovery of glass at O-I.</p> <div data-bbox="576 1106 1203 1473"> <p style="text-align: center;">Percentage of total arisings recovered</p> <table border="1"> <caption>Percentage of total arisings recovered</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>2005/06</td><td>21.00%</td></tr> <tr><td>2006/07</td><td>18.00%</td></tr> <tr><td>2007/08</td><td>15.50%</td></tr> <tr><td>2008/09</td><td>16.50%</td></tr> <tr><td>2009/10</td><td>16.00%</td></tr> <tr><td>2010/11</td><td>20.00%</td></tr> <tr><td>2011/12</td><td>23.00%</td></tr> </tbody> </table> </div> <div data-bbox="576 1507 1203 1966"> <p style="text-align: center;">Mixed Recyclables and Glass</p> <table border="1"> <caption>Mixed Recyclables and Glass (Tonnes)</caption> <thead> <tr> <th>Year</th> <th>Mixed recyclable collected at kerbside</th> <th>Total mixed recyclables processed (excluding glass)</th> <th>Glass collected at kerbside</th> </tr> </thead> <tbody> <tr><td>2005/06</td><td>1050</td><td>1050</td><td>900</td></tr> <tr><td>2006/07</td><td>1300</td><td>1400</td><td>1100</td></tr> <tr><td>2007/08</td><td>1200</td><td>1600</td><td>1400</td></tr> <tr><td>2008/09</td><td>900</td><td>1800</td><td>1800</td></tr> <tr><td>2009/10</td><td>950</td><td>1700</td><td>1900</td></tr> <tr><td>2010/11</td><td>850</td><td>1900</td><td>1800</td></tr> <tr><td>2011/12</td><td>1050</td><td>2000</td><td>1300</td></tr> </tbody> </table> </div>	Year	Percentage	2005/06	21.00%	2006/07	18.00%	2007/08	15.50%	2008/09	16.50%	2009/10	16.00%	2010/11	20.00%	2011/12	23.00%	Year	Mixed recyclable collected at kerbside	Total mixed recyclables processed (excluding glass)	Glass collected at kerbside	2005/06	1050	1050	900	2006/07	1300	1400	1100	2007/08	1200	1600	1400	2008/09	900	1800	1800	2009/10	950	1700	1900	2010/11	850	1900	1800	2011/12	1050	2000	1300
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	<p>Cars, Whiteware & Metal recovered</p> <p>This dual-axis chart shows the number of cars and whiteware (left axis, 0-1,600) and tonnes of metal (right axis, 0-700) from 2005/06 to 2011/12. Total Whiteware (orange bars) and Total Car Bodies (green bars) are shown. Linear trends are provided for Light gauge steel (dashed green), Heavy gauge steel (dashed red), and Non ferrous metals (dashed black).</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total Whiteware</th> <th>Total Car Bodies</th> <th>Linear (Light gauge steel)</th> <th>Linear (Heavy gauge steel)</th> <th>Linear (Non ferrous metals)</th> </tr> </thead> <tbody> <tr><td>2005/06</td><td>1000</td><td>400</td><td>350</td><td>100</td><td>50</td></tr> <tr><td>2006/07</td><td>1300</td><td>350</td><td>380</td><td>100</td><td>50</td></tr> <tr><td>2007/08</td><td>1250</td><td>200</td><td>410</td><td>100</td><td>50</td></tr> <tr><td>2008/09</td><td>1280</td><td>100</td><td>440</td><td>100</td><td>50</td></tr> <tr><td>2009/10</td><td>1350</td><td>100</td><td>470</td><td>100</td><td>50</td></tr> <tr><td>2010/11</td><td>1050</td><td>50</td><td>500</td><td>100</td><td>50</td></tr> <tr><td>2011/12</td><td>1000</td><td>50</td><td>530</td><td>100</td><td>50</td></tr> </tbody> </table> <p>Material Processed at Greenwaste to Zero</p> <p>This bar chart shows the volume of material processed in m³ from 2004/05 to 2011/12.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>m³</th> </tr> </thead> <tbody> <tr><td>2004/05</td><td>11,000</td></tr> <tr><td>2005/06</td><td>12,000</td></tr> <tr><td>2006/07</td><td>13,500</td></tr> <tr><td>2007/08</td><td>12,500</td></tr> <tr><td>2008/09</td><td>14,500</td></tr> <tr><td>2009/10</td><td>13,800</td></tr> <tr><td>2010/11</td><td>12,800</td></tr> <tr><td>2011/12</td><td>15,000</td></tr> </tbody> </table>	Year	Total Whiteware	Total Car Bodies	Linear (Light gauge steel)	Linear (Heavy gauge steel)	Linear (Non ferrous metals)	2005/06	1000	400	350	100	50	2006/07	1300	350	380	100	50	2007/08	1250	200	410	100	50	2008/09	1280	100	440	100	50	2009/10	1350	100	470	100	50	2010/11	1050	50	500	100	50	2011/12	1000	50	530	100	50	Year	m³	2004/05	11,000	2005/06	12,000	2006/07	13,500	2007/08	12,500	2008/09	14,500	2009/10	13,800	2010/11	12,800	2011/12	15,000
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<p>We survey the community annually and see an ongoing improvement in satisfaction levels in our kerbside service.[Target: ≥ 70% of customers are satisfied with the services they receive]</p>	<p>Actual = 90%</p> <p>The Communitrak survey undertaken shows that 92% of receivers of the kerbside service were found to be satisfied with the service they receive. (2011: 90%)</p> <p>The Communitrak survey undertaken also shows that 72% of receivers of the regular rubbish collection service were found to be satisfied with the service they receive, with 22% being unable to comment. (2011: 69%, with 25% being unable to comment).</p>																																																																		
<p>We receive less than 30 instructions to resolve a complaint per year relating to recycling collection, refuse bag collection or other solid waste issues.</p>	<p>Actual = 396 [2011: 297]</p>																																																																		
<p>We are able to respond to 95% of instructions to resolve a complaint within the timeframes we have specified within our operations and maintenance contracts.</p>	<p>Actual = 96% [2011: 90%]</p> <p>Actual = 100% of instructions to resolve a complaint within the timeframes have been achieved for 8 of the 12 months</p>																																																																		
<p>We have no serious harm incidents caused as a result of Council's actions.</p>	<p>Actual = one serious harm incident (as defined under schedule 1 of the Health and Safety in employment Act 1992) was reported. The site operator at Takaka RRC slipped and fractured her ankle. The incident was reported to the Department of Labour.</p>																																																																		

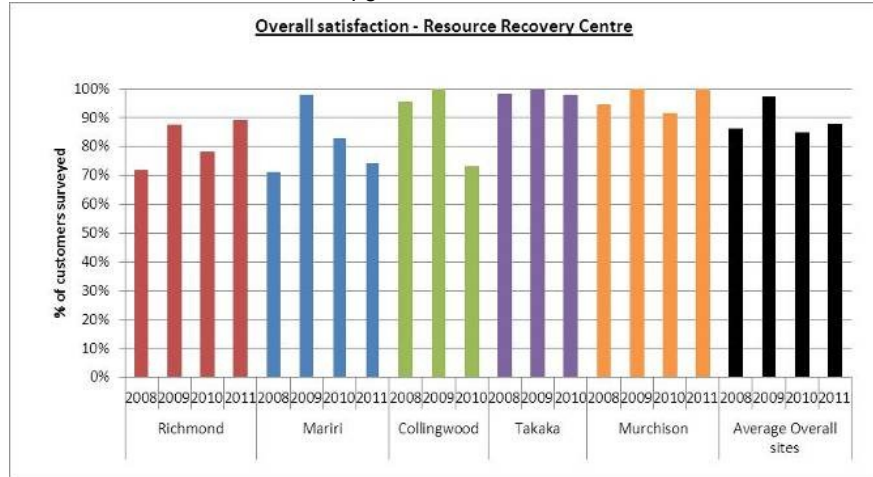
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<p>We provide schools with access to an annual visit from a Waste Education officer and access to up-to-date resources. [Target: 100% of schools are contacted annually]</p>	<p>Actual = 100% [2011: 100%] WES visited 24 schools (55 visits) and 9 ECE centres (15 visits) between July and December 2011. Tasman District Council staff undertook 34 school visits and 16 ECE visits between January and June 2012.</p>												
<p>We report waste minimisation and recycling progress to the community on a quarterly basis through feature articles and community notices.[Target: At least four times a year]</p>	<p>Actual = 15 articles have been published in; Nelson Mail, leader, Newsline, waste awareness or Ecobuzz as well as other information leaflets at events and regular updates on the website. [2011: 24 articles]</p>												
<p>We provide waste minimisation services to the business community. [Target: 100% of queries from businesses are actioned]</p>	<p>Actual = 100% [2011: 100%] 24 businesses have been contacted in person or by phone/email and 93 have been contacted multiple times on region-wide information mail outs, funding opportunities.</p>												
<p>90% of site inspections score greater than or equal to "Acceptable". [Target: 95%]</p>	<p>Actual = 100% (with an average score of 78.75) [2011: 80%]</p>  <table border="1"> <caption>Site Inspection Scores (July 2011 - June 2012)</caption> <thead> <tr> <th>RRC</th> <th>% of months site meets 'Acceptable' KPI standard</th> </tr> </thead> <tbody> <tr> <td>Richmond RRC</td> <td>100%</td> </tr> <tr> <td>Mariri RRC</td> <td>100%</td> </tr> <tr> <td>Takaka RRC</td> <td>100%</td> </tr> <tr> <td>Collingwood RRC</td> <td>100%</td> </tr> <tr> <td>Murchison RRC</td> <td>100%</td> </tr> </tbody> </table> <p>As the KPI scoring methodology is being revised an 'acceptable level' of 3/5 or 60% has been set to allow comparison between years. This will be reviewed in the new LTP reporting period.</p>	RRC	% of months site meets 'Acceptable' KPI standard	Richmond RRC	100%	Mariri RRC	100%	Takaka RRC	100%	Collingwood RRC	100%	Murchison RRC	100%
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We survey customers at Resource Recovery Centre (RRC) sites on an annual basis and see an ongoing improvement in satisfaction levels.

Actual = Surveys have been undertaken at the RRCs annually since 2008. The results from the 2011/12 survey showed an overall increase in the level of satisfaction of users of the RRCs. Satisfaction at the Richmond RRC showed the greatest increase as a result of the new upgrade works.



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Major Activities

<i>Capital Works</i>			
During the 2011/2012 financial year Council proposes to undertake the following capital works.			
<u>Activity</u>	<u>Budget \$</u>	<u>Actual Expenditure \$</u>	
Ongoing work with Nelson City Council on a combined Waste Management and Minimisation Plan, to be completed during the 2011/2012 year.			The Joint Waste Management and Minimisation Plan was adopted by both Councils in April 2012.
Resource Recovery Centres			
• Richmond	647,716	1,145,781	Work on the site development of the Richmond RRC is complete, with some pavement failures requiring further work in the new year. This, combined with additional pavement construction and disposal fees for unsuitable material has resulted in additional expenditure which has been approved by Council. Two additional compactor bins have been purchased for delivery in the fourth quarter due to significant wear to existing bins. The Kerbside collections budget of \$104,854 was transferred to the Richmond RRC capital budget
• Mariri	284,264	340,516	The Mariri RRC site upgrade was completed in May 2012, and included construction of a new recycling loop separate from the waste disposal area, improved drainage and provision for further layout improvements in the future. This site is also located on top of a closed landfill and additional unbudgeted work was required to intercept leachate and to improve stormwater management around the closed landfill.
• Takaka	66,154 (plus \$15,566 to be carried over from 2010/2011).	65,096	Minor modifications to the existing compactor, provision of hazardous goods receptacles and signage improvements were completed. Further work on the compactor has been delayed and is intended to be completed in the coming year.
• Collingwood	53,823 (plus \$13,240 to be carried over from 2010/2011).	31,408	New signage and a site development plan was completed this year. Landscaping and fencing work has been deferred to the next year, pending a review of the site. \$17,946 was transferred to fund unbudgeted expenditure at Mariri RRC.
• Murchison	68,069 (plus \$15,536 to be carried over from 2010/2011).	35,864	New signage and a site development plan was completed this year. Remaining work has been deferred to the next year, pending a review of the site

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Eves Valley Landfill	311,728 (plus \$79,504 carried over from 2010/2011).	236,976	Stormwater works committed in the last financial year were substantially completed in the second quarter, but require further work following rain events. Work commenced on the leachate pump station upgrade and is scheduled to be completed in the third quarter. Preparatory work for the resource consent continued, but further consent and landscape work is likely to be deferred until a decision on long-term use of the site is made.
Closed Landfills	100,000	1,808	Works at Rototai have been deferred until after flood recovery is complete and material disposed on site has been remediated.

Jun-11 Actual \$	Solid Waste	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
242,894	General Rates	209,872	208,152	101%
1,809,294	Targeted Rates	1,996,185	1,989,748	100%
4,608,618	Fees and Recoveries	4,606,953	4,394,527	105%
(1,009,021)	less internal charges	(1,122,143)	-	-
196,996	Sundry Income	213,100	205,104	104%
5,848,781	TOTAL INCOME	5,903,967	6,797,531	87%
	OPERATING COSTS			
1,915,388	Kerbside Collection	1,931,967	1,913,495	101%
136,552	Waste Minimisation	127,025	152,164	83%
1,140,384	Landfills	1,485,050	899,648	165%
2,874,384	Resource Recovery Parks	3,007,019	2,820,251	107%
233,423	Loan Interest	331,096	403,792	82%
(1,009,021)	less internal charges	(1,122,143)	-	-
271,782	Depreciation	328,183	331,843	99%
5,562,892	TOTAL OPERATING COST	6,088,197	4,607,698	132%
(285,889)	NET COST OF SERVICE (SURPLUS)	184,230	(276,368)	-67%
	TOTAL FUNDS REQUIRED			
(285,889)	Net Cost of Service (Surplus)	184,230	(276,368)	-67%
2,685,498	Capital	1,861,734	1,636,608	114%
369,526	Loan Principal Repaid	440,366	559,999	79%
-	Transfer to Restricted Reserves	329,117	4,329	7603%
2,769,135		2,815,447	1,924,568	146%
	SOURCE OF FUNDS			
97,349	Restricted Reserves Applied	-	-	-
2,366,148	Loans Raised	2,100,631	1,592,725	132%
33,856	General Funds	386,633	-	-
2,497,353		2,487,264	1,592,725	156%
	NON- FUNDED DEPRECIATION			
271,782	Depreciation to be funded at income statement level	328,183	331,843	99%
2,769,135		2,815,447	1,924,568	146%

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Comment:

Capital expenditure includes \$103,000 spent on projects carried forward from the last financial year, and \$699,000 for additional costs from the disposal of unsuitable material from the Richmond RRC to landfill.

Loans raised include \$283,000 raised for June 2011 expenditure. Due to accounting rules we are unable to "accrue" this loan funding at year end, but have to record the loan in the period it is physically raised. Loans also include funding approved by Council for the additional costs from the Richmond RRC.

Landfill costs include \$343,375 which results from the annual unwinding of the discount for the provision for landfill aftercare costs plus an increase in the provision for landfill aftercare costs for Eves Valley from the latest estimates.

RIVERS

What We Do

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

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

Why We Do It

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

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Levels of Service

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

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How we measure progress

<p>All river maintenance and construction activities comply with any required resource consents. [Target: 100%]</p>	<p>Actual = 100% [2011: 100%]</p> <p>Resource consents held are: <i>NN 010109 Global</i> – for works in rivers and some gravel extraction; and <i>NN 010109 Vegetation spraying</i> NN 010109 expired on the 30 June 2011 a new consent application was lodged on the 30 November 2010. The processing of the consent application has been delayed until Part 4 of the TRMP becomes operative. River contracts include copies of resource consents conditions and performance measures to meet the resource consent requirements.</p> <p>The Contractor has received no non-compliances with respect to the resource consents held by council.</p>
<p>The 285km of X and Y classified rivers are cleared of Crack Willow (pest tree species) at a rate of 15km of river length per year. [Year 3: Total of 45 km]</p>	<p>Actual = Year 1 -18.5 km Actual = Year 2 – 14.9 km Actual = Year 3 – 15.44 km Achieved 48.8 km</p> <p>[2011 Actual = Year 1 -18.5 km Actual = Year 2 – 14.9 km Total = 33.4 km]</p>
<p>Council prepares and investigates new schemes in line with the community needs [Target: 100%].</p>	<p>Actual = 100% [2011: 100%] New schemes are investigated and designed in line with community expectations, needs and desired level of service. There has been a feasibility and flood risk study carried out for Takaka township.</p>
<p>The Riwaka River stopbanks are maintained to a 1-in-20 year flood return standard. [Target: 30% of stopbank maintained]</p>	<p>Actual = 30% [2011: 90%] Council completed an audit of the flood capacity and condition of the Riwaka flood banks in 2006. There has been no change since then.</p>
<p>The Lower Motueka River stopbanks are maintained to a 1-in-100 year flood return standard. [Target: 30% of stopbank maintained]</p>	<p>Actual = 30% [2011: 100%] Council completed an initial modelling for flood capacity and completed a walk over condition survey in 2006. Further planning, modelling and public consultation commenced in 2009/2010 and will extend through to 2011 /12.</p>
<p>The Waimea River stopbanks are maintained to a 1-in-50 year flood return standard. [Target: 100% of stopbank maintained]</p>	<p>Actual = 100% [2011: 100%] The stopbanks are recorded as being designed to a 1 in 50 year flood return standard.</p> <p>To date, works associated with the stop banks has been the maintenance and placement of new erosion protection works.</p>
<p>Rivers are maintained within the X and Y classification area to the annual allocated budget. Capital projects are carried out on time, within budget and to the appropriate standard. [Target: 100%]</p>	<p>Actual = 87.8% [2011: 100%] The capital expenditure budget was \$1,127,273 with an actual spend of \$989,617. All programmed rock work was completed in accordance with the Annual Operating Maintenance Programme and the specifications outlined in the contract documentation.</p>
<p>All River Z rating enquires will be responded to within 10 working days. [Target: 100%]</p>	<p>Actual = 100% [2011: 75%] All River Z enquires were responded to within 10 working days.</p> <p>Some actual works related to River Z areas were delayed through the lack of suitable rock in the Golden Bay area.</p>

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The public are able to access the Council's rivers systems unless for safety reasons they are restricted by the undertaking of the annual river maintenance works programme. [Target: 100%]	Actual = 100% [2011: 100%]
An annual rivers maintenance programme as agreed with the communities is constructed to Council standards.	Actual = In place and operating
River Care Groups, iwi, Fish and Game and DOC are consulted annually on the rivers annual maintenance programme.	Actual = Council consult with River Care groups, iwi, Fish & Game and DOC on their annual maintenance programmes.
We are able to respond to enquiries within timeframes specified in our operations and maintenance contracts.	Actual = 100% [2011: 100%]
We receive less than 12 complaints per year relating to the maintenance of river works. [Target: 100%]	Actual = 0 [2011: 2]
We have a facility for receiving and handling emergency calls after office hours. [Target: 100%]	Actual = In place Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies.
We have a monitoring system in place to provide information on the key river flows. [Target: 100%]	Actual = Council has a new rainfall and river flow data system. This is capable of supplying up to date information 24 hours a day through the internet.
The Council's rivers maintenance contractor has adequate resources available in case of major flood damage. The rivers maintenance contractor is available to respond to emergencies. [Target: 100%]	Actual = 100%

Major Activities

<u>Activity</u>	<u>Budget \$</u>	<u>Actual Expenditure \$</u>	
Lower Motueka Stopbank (Investigation 2009-2012, construction from 2012/2013)	153,591	86,138	Development of preferred option for inclusion into the LTP including public consultation. [The proposal was to refurbish the existing stopbanks over a 13 year period at a cost of \$16.35 million. Refurbishment was to commence in 2017/2018 and be completed in 2029/2030. Council has asked staff to review the scope, proposed risks and levels of flood protection and funding for the project over the coming years. The project budget has been reduced to \$5 million for the duration of the Plan. Further consultation will need to be undertaken with the public on the scope of the project and the level of flood protection that will be provided.]

ENGINEERING

Jun-11 Actual \$	Rivers	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
3,594	General Rates	5,316	5,272	101%
2,312,829	Targeted Rates	2,878,802	2,784,451	103%
603,290	Fees and Recoveries	1,922,930	166,513	1155%
43,859	Interest Received	45,553	42,500	107%
77,551	Sundry Income	83,892	80,744	104%
3,041,123	TOTAL INCOME	4,936,493	3,079,480	160%
	OPERATING COSTS			
2,383,172	Classified/General District	3,185,953	2,078,480	153%
24,398	Loan Interest	36,092	31,724	114%
30,122	Depreciation	31,135	33,034	94%
2,437,692	TOTAL OPERATING COST	3,253,180	2,143,238	152%
(603,431)	NET COST OF SERVICE (SURPLUS)	(1,683,313)	(936,242)	180%
	TOTAL FUNDS REQUIRED			
(603,431)	Net Cost of Service (Surplus)	(1,683,313)	(936,242)	180%
1,227,015	Capital	1,709,617	1,127,273	152%
10,096	Loan Principal Repaid	16,567	12,512	132%
78,030	Transfer to Environment & Planning	78,030	-	-
106,626	Transfer to Rivers Disaster Fund	-	-	-
4,765	Transfer to Restricted Reserves	635,849	8,487	7492%
823,101		756,750	212,030	357%
	SOURCE OF FUNDS			
410,573	Restricted Reserves Applied	639,477	25,405	2517%
382,406	Loans raised	86,138	153,591	56%
792,979		725,615	178,996	405%
	NON- FUNDED DEPRECIATION			
30,122	Depreciation to be funded at income statement level	31,135	33,034	94%
823,101		756,750	212,030	357%

Comment:

There was \$2,182,000 of emergency river works expenditure relating to the Aorere flood event in December 2010, of which \$720,000 has been capitalised, and \$1,462,000 expensed. The majority of this expenditure has been funded by the Ministry of Civil Defence and Emergency Management (60%), transfer from the Rivers Disaster Fund (20%), and landowner contributions (20%).

Other Classified/General District operating costs are down on budget (after adjusting for emergency river works) as the forecasted programme of works is still behind schedule. There was a new rivers contractor during the year. Although progress has improved for the second part of the year it is still not at the level of the contractor's forecasted programme of works. The contractor was slow to resource up to the required levels in the first six months of the contract and is now unable to meet the Asset Operating and Maintenance Programme budget requirements.

Fees and recoveries is up on budget due to increased gravel extraction fees, and contributions towards the December 2010 flood event.

COMMUNITY SERVICES

Policy and Objective

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

Nature and Scope

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

a) **Library Services** – the provision of library services to all residents of the Tasman District, through a District Library in Richmond, Branch Libraries in Motueka, Murchison and Takaka, and Link Libraries in Collingwood, Dovedale, Mapua, Tapawera and Wakefield. Library services contribute towards the intellectual and commercial development of the District by assisting people in the process of life-long learning through the use of lending and information services. Reading library books is also a leading recreational activity for all ages.

b) **Cultural Services and Community Grants** – Council will allocate funds from its annual general rate income by way of grants to organisations which predominantly provide community services for the cultural enrichment of residents of the District. In addition, Council also acts as an agent for the distribution of the Creative New Zealand Grants.

c) **Community Recreation** – provision of an advisory service for recreation and community development which facilitates opportunities for people throughout the District to increase their participation in those activities.

d) Community Facilities, Parks & Reserves, and Camping Grounds

Camping Grounds – leasing of four major camping grounds at Motueka (Fearon Bush), Collingwood, Pohara and Murchison (Riverview Reserve) for the enjoyment of visitors and residents of the District.

Parks and Reserves – maintenance and enhancement of sports grounds, parks and gardens, cemeteries, public toilets and other facilities not under the control of locally-elected management committees.

Community Facilities – Council has established a Community Facilities Rate for the purpose of meeting part of the costs of capital funding for new, large, community, recreational, sporting or cultural District or regional projects which have met the relevant criteria and will provide benefit to the citizens of Tasman District.

e) **Community Housing** – provision of rental accommodation for elderly and disabled persons.

Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

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

Jun-11 Actual \$	COMMUNITY SERVICES	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
2,447,106	Libraries	2,558,446	2,415,199	106%
646,996	Cultural Services and Community Grants	681,287	620,876	110%
765,134	Community Recreation	773,058	817,637	95%
6,938,290	Parks and Reserves	6,856,306	7,261,785	94%
4,047,921	Community Facilities Rate	3,702,404	5,042,641	73%
374,670	Camping Grounds	380,443	468,372	81%
477,889	Community Housing	515,808	543,013	95%
15,698,006	TOTAL COSTS	15,467,752	17,169,523	90%

COMMUNITY SERVICES

LIBRARIES

What We Do

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

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

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Level of Service

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

COMMUNITY SERVICES

How we measure progress

<p>TDC collections compare favourably measured against the Library and Information Association of New Zealand Aotearoa (LIANZA) standard for library book stocks. The annual Council book budget will increase by \$20,694 in 2009/10 and a further \$67,035 in 2010/11, and these figures will be inflation adjusted over future years. This will achieve 75% of the LIANZA standard for book stocks by 2012.</p>	<p>Tasman District Libraries purchased 17,535 new items for the libraries during 2011/12. At the end of June 2012 the libraries held 145,938 items. This achieves 85% of the current recommended standard for New Zealand libraries (based on 2011 estimated population figures).</p>
<p>TDC runs modern software with sufficient capacity and functionality to enable public access to the collection. TDC libraries will install new library management software in 2011/2012 with increased capacity and functionality to allow better access to the collections, and TDC will fund ongoing support for the new software.</p>	<p>Tasman District Libraries are part of the national Kōtui consortium. The consortium provides its members with fully supported and updated library management software. Tasman District Libraries transferred to the new library management software in November 2011.</p>
<p>Residents can participate in the digital world via well connected computers in the libraries, measured against the recommended number of computers in the LIANZA standard. [Target: 100%]</p>	<p>Digital world participation is achieved through our ongoing membership of the Aotearoa Peoples Network Kaharoa (APNK). Tasman's libraries provide 20 public access internet computers, which achieves 100% of the LIANZA standard.</p>
<p>Tasman District residents are fairly or very satisfied with the public libraries, as measured through the annual residents' survey. [Target: 85% of Tasman residents are fairly or very satisfied with the public libraries by 2012.]</p>	<p>The Communitrak survey shows that 86% of residents are satisfied with the District's public libraries [2011: 82%], and that 94% of library users are satisfied with the libraries. [2011: 92%]</p>

COMMUNITY SERVICES

Additional information is available digitally. Digital downloadable audio books by 2012.	In 2011 Tasman District Libraries joined a South Island consortium which provides downloadable audio books and electronic books to library members. The service was launched in October 2011.
Users have easy access to the wealth of materials available. If external funding can be secured, we will digitise artefacts and load them on to the regional history website	Items from the Waimea South local history collection have been digitised and stored on the library's kete. Records and other materials from community groups have also been digitised and stored on the library's kete. The kete is a digital repository hosted by Aotearoa People's Network Kaharoa. The kete is accessible via the internet.
TDC library buildings provide adequate spaces to enable the delivery of quality library services as measured against the LIANZA standard.	<p>The floor space of the Richmond and Takaka Libraries meets the LIANZA standard.</p> <p>The Murchison library building at 160m² is less than the 210m² recommended in the LIANZA standard.</p> <p>Space issues in Motueka are causing difficulties with service delivery. The Motueka Library building at 453m² achieves 46% of the LIANZA standard. Limited space has an impact on collection size. The collection size currently meets 71 % of the LIANZA standard. Funding for redevelopment of the Motueka library has been included in the Long Term Plan 2012-2022. The redevelopment is planned to be undertaken between 2012-2014.</p>

Major Activities

Ongoing management of Council libraries and delivery of library services to the community.	Library management and service delivery is an ongoing function being performed to target.
Replacement of the library management software (LMS). Request for Proposal (RFP), selection and purchase of a new LMS will be undertaken in 2011/2012.	Tasman District Libraries joined the Kotui consortium in 2011. The consortium provides fully supported and updated library management software. The Libraries migrated to the new LMS in November 2011.
Increase in book numbers – district wide.	Tasman District Libraries purchased 17,535 new items for the libraries during 2011/12. At the end of June 2012 the libraries held 145,938 items, which achieves 85% of the current recommended standard for New Zealand libraries (based on 2011 estimated population figures).
Increase digital collections (e.g. digital editions of newspapers, digital downloadable audio books, premium lending collection).	<p>In 2011 Tasman District Libraries joined a South Island consortium which provides downloadable audio books and electronic books to library members. The service was launched in October 2011.</p> <p>In July 2011 the Library launched a new service which provides access to digital editions of newspapers. Access is available within the libraries and via the library website.</p>
Complete renovation of the website so it can function as the fifth branch – with e-commerce enabled and functionality to allow for the delivery of digital services.	Work on this project was progressed throughout 2011/2012. The renovated website was launched on 23 August 2012.
Growth of services in line with population driven demand.	Work has begun on establishing a Maori non-fiction collection. The collection will support Richmond's new Kura Kaupapa Maori. The new collection will be available in 2012/13.

COMMUNITY SERVICES

Jun-10 Actual \$	Libraries	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
2,102,543	General Rates	2,226,764	2,208,669	101%
280,298	Fees and Recoveries	293,098	306,016	96%
105,294	Sundry Income	113,901	109,627	104%
2,488,135	TOTAL INCOME	2,633,763	2,624,312	100%
	OPERATING COSTS			
336,092	District Operations	427,645	274,360	156%
1,016,369	District Library	994,479	1,169,075	85%
442,954	Motueka Library	469,360	482,560	97%
288,349	Takaka Library	309,765	301,614	103%
6,364	Murchison Library	8,459	9,081	93%
4,054	Link Libraries	2,283	3,051	75%
11,274	Tapawera Library	16,779	18,565	90%
341,650	Depreciation	329,676	156,893	210%
2,447,106	TOTAL OPERATING COST	2,558,446	2,415,199	106%
(41,029)	NET COST OF SERVICE (SURPLUS)	(75,317)	(209,113)	36%
	TOTAL FUNDS REQUIRED			
(41,029)	Net Cost of Service (Surplus)	(75,317)	(209,113)	36%
330,906	Capital	312,084	366,006	85%
289,877		236,767	156,893	151%
	SOURCE OF FUNDS			
(51,773)	General Funds	(92,909)	-	-
(51,773)		(92,909)	-	-
	NON- FUNDED DEPRECIATION			
341,650	Depreciation to be funded at income statement level	329,676	156,893	210%
289,877		236,767	156,893	151%

Comment:

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

COMMUNITY SERVICES

CULTURAL SERVICES AND COMMUNITY GRANTS

What We Do

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

These are the various contestable funding streams provided by Council in 2011/12: School Swimming Pool Subsidy (\$52,121), Community Grants (\$168,647), Tasman \$200 Ships (\$3,284), Mature Person Scholarships (\$5,474), Creative Communities (\$32,845) on behalf of Creative NZ, Council's Community Development Fund (\$20,000) and the SPARC Rural Travel Fund (\$18,612) on behalf of Sport New Zealand (formerly SPARC). These are inflation adjusted each year.

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

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

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

Why We Do It

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

Our Goal

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

How this activity contributes to the Community Outcomes

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

Our Level of Service

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

How we measure progress

Grants are fully allocated to groups and individuals who meet our funding criteria. [Target: 100% of grant funding is allocated]	94% of Council's grants have been allocated as at 30 June 2012. [2011: 89%]. The target was for 100% of these grants to be allocated by year end. However, the amount allocated is dependent on the value of the grant applications submitted as this is more important than ensuring that all funds are allocated.
Groups are delivering the services outlined in their application and that they receive grant money to provide services to the community. [Target: 90% of accountability forms are returned completed]	Council is very strict on receiving completed accountability forms. Reminders are sent for non-received accountability forms and if not received then Council may even request the funds are returned. We have 98% of accountabilities received from grants at year end, and reminder letters have been sent to the outstanding applicants. [2011: 84%]

COMMUNITY SERVICES

Major Activities

Allocation of contestable grants.	The first rounds of funding for the contestable funds have been completed. The Grants and Community Facilities Rate subcommittee met in September and November to discuss and allocate these funds. There has been \$24,650 of funding allocated from the Tasman \$200 Ships, Mature Person Scholarships, and SPARC Rural Travel Fund for the year ended 30 June 2012.
Ongoing allocation of funding to cultural services, e.g. Museums and The Suter art gallery.	<p>Memoranda of Understandings have been received from the Museums and The Suter.</p> <p>The Suter art gallery annual funding of \$80,990 has been paid.</p> <p>Local museum funding allocated includes \$40,500 going to Golden Bay museum and \$40,500 to Motueka District museum.</p> <p>Tasman Bays Heritage Trust has received cash funding totalling \$792,948 for the year. In addition, Council provided the Trust with free use of a storage facility, which cost the Council \$89,878 to provide.</p> <p>Council received an \$11,405 donation from the NZ Lotteries Grant Board on behalf of the Motueka Museum towards a condition survey and maintenance plan.</p>
Annual review of grants funding criteria and process.	The Annual Review is undertaken at the end of the financial year. The May 2012 Grants and Community Facilities Rate Subcommittee meeting discussed the process and criteria of grant applications.
Continuing the new Community Development Fund.	The Community Development Fund is continuing for the 2011/12 year. This fund is to enable the Tasman District's smaller communities to apply to make plans, provide activities, run events or services to enhance their town or to attract visitors. The fund had an allocation of \$20,000 for the 2011/2012 year. There has been a total of \$18,450 allocated for the year.

COMMUNITY SERVICES

Jun-11 Actual \$	Cultural Services & Community Grants	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
419,207	General Rates	441,755	438,164	101%
221,602	Sport NZ	217,535	87,000	250%
57,830	Fees and Recoveries	82,472	77,443	106%
3,133	Interest Received	2,895	-	-
17,547	Sundry Income	18,981	18,269	104%
719,319	TOTAL INCOME	763,638	620,876	123%
	OPERATING COSTS			
316,753	Council Grants	361,787	386,847	94%
221,603	Sport NZ Grants	191,882	87,000	221%
25,718	Creative NZ Grants	41,628	32,845	127%
4,000	Community Sports Fund	5,000	5,474	91%
78,922	Museums	80,990	80,990	100%
-	Loan Interest	-	27,720	0%
646,996	TOTAL OPERATING COST	681,287	620,876	110%
(72,323)	NET COST OF SERVICE (SURPLUS)	(82,351)	-	-
	TOTAL FUNDS REQUIRED			
(72,323)	Net Cost of Service (Surplus)	(82,351)	-	-
-	Advances to community organisations	-	120,000	0%
(72,323)		(82,351)	120,000	-69%
	SOURCE OF FUNDS			
4,310	Advances Repaid	4,548	-	-
-	Loans raised	-	120,000	0%
(76,633)	General Funds	(86,899)	-	-
(72,323)		(82,351)	120,000	-69%

Comment:

The advance to community organisations budgeted of \$120,000 relates to the Motueka Community Hospital. This advance has yet to be requested, therefore, the corresponding loan to be raised has not be drawn down.

Sport New Zealand (formerly SPARC) grants are for ongoing projects usually over a number of financial years. The grant funds are received in instalments and are included in income as monies are expended against the project. Any funds received but not yet spent are held as a current liability as grants received in advance.

COMMUNITY SERVICES

COMMUNITY RECREATION

What We Do

The Community Recreation activity provides for the recreational and cultural needs of the communities of the Tasman District. This is done via projects that support and develop the community engagement with recreation, sports, arts and heritage. The activity requires working collaboratively with community and government agencies to ensure sustainability of programmes. Where gaps exist in services that should be provided, there is a role to advocate and work on behalf of the community.

Why We Do It

Active and involved communities are sustainable and healthy communities. Recreation and leisure activities contribute to the regions prosperity and identity. The Community Recreation Activity is an essential component of Council's business in terms of:

- How it relates to the communities.
- How it strengthens its communities.
- How it supports its communities.
- How it maintains an accurate picture of community opportunities and challenges.

Our Goal

Council's aim is to enhance the quality of life of the community by providing and supporting quality recreational services which enable participation in suitable, relevant and enjoyable activities and environments lifelong.

How this activity contributes to the Community Outcomes

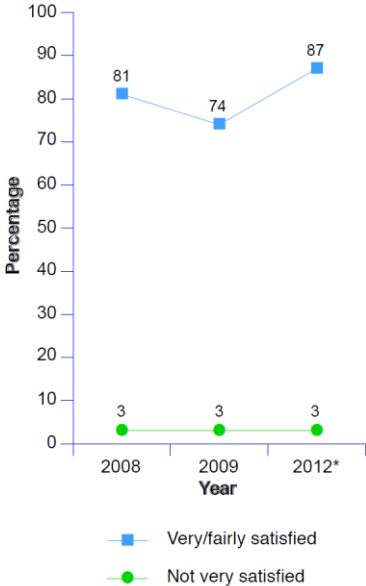
- Encouraging low impact engagement with and enjoyment of the natural environment.
- The activity provides information to encourage safe use of the environment with activities that do not cause negative impact.
- Advising planners to ensure active transport is included in Council's provision of transport services.
- Providing and supporting quality recreational services which enable participation in suitable relevant and enjoyable activities life long.
- Promotion and celebration of our history and diverse cultures.
- Promotion and delivery of recreational services that reflect the diversity of the Tasman District.
- Ensuring communication to communities encourages engagement.
- Working in partnership with community, business, government and professional groups to strengthen and grow the economy.

Our Level of Service

- The activity provides information to encourage use of our environment and that the activities of others do not cause negative impact.
- Work with user groups and advocates to ensure active transport is included in Council's provision of transport services.
- Providing and supporting quality recreational services which enable participation in suitable, relevant, and enjoyable activities and environments lifelong.
- Promotion and celebration of our history and cultures.
- Support of facilities and services that house our regions stories, artefacts and arts.
- Promotion and delivery of events and recreational services that reflect the diversity of the District.
- Community development is supported with staff advice and funding support.

COMMUNITY SERVICES

How we measure progress

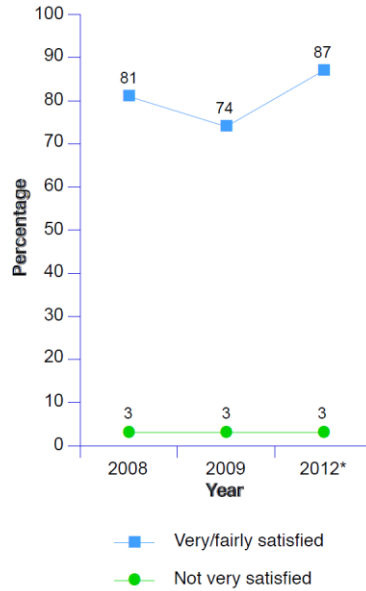
<p>The community can access the information to enable safe and positive interaction with our environment. [Target: 60% of residents have seen or read Walk or Bike Tasman, as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>67% of residents are satisfied with the recreation publication 'Walk or Bike Tasman', while 3% are not very satisfied. 30% of residents are unable to comment.</p>												
<p>We have more people getting to work/school walking or cycling. [Target: Raise the rates of walking and cycling consistent with the Tasman Walking and Cycling Strategy.]</p>	<p>Council contractor MWH New Zealand Ltd has commenced cycle counts in Richmond along Salisbury Road, Wensley Road, the underpasses and the ASB path in 2011. These counts are undertaken in February and July of each year. Regular cycle counts are not undertaken in other areas.</p> <p>The counts are undertaken on two days per year and are sensitive to seasonal conditions and school holidays. NZTA has cut funding for walking and cycling activities so more regular counts to ascertain trends are not viable.</p>												
<p>Residents are informed of and participating in relevant safe leisure activities. [Target: 75% of the community is either fairly or very satisfied with Council recreation programmes as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>87% of the community is either fairly or very satisfied with Council recreation programmes and events, with 10% unable to comment. [2009: 74% satisfied and 23% unable to comment).</p> <p style="text-align: center;"><i>Recreation Programmes And Events</i></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Recreation Programmes And Events - Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>81</td> <td>3</td> </tr> <tr> <td>2009</td> <td>74</td> <td>3</td> </tr> <tr> <td>2012*</td> <td>87</td> <td>3</td> </tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	2008	81	3	2009	74	3	2012*	87	3
Year	Very/fairly satisfied (%)	Not very satisfied (%)											
2008	81	3											
2009	74	3											
2012*	87	3											
<p>Residents are satisfied with the information available in publications and the experiences and access to the regions arts, culture and heritage. [Target: 90% of residents who have seen at least one of the recreation publications are fairly or very satisfied with them as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>64% of residents are satisfied with other recreation publications (e.g Mud Cake and Roses, Boredom Busters, Hummin' In Tasman), with 34% unable to comment.</p>												

COMMUNITY SERVICES

Residents attending a range of Council organised and supported activities and events are satisfied. [Target: 80% of the community is very or fairly satisfied with Council activities or events as measured by Communitrak Survey undertaken at least three yearly.]

87% of the community is either fairly or very satisfied with Council recreation programmes and events, with 10% unable to comment. [2009: 74% satisfied and 23% unable to comment).

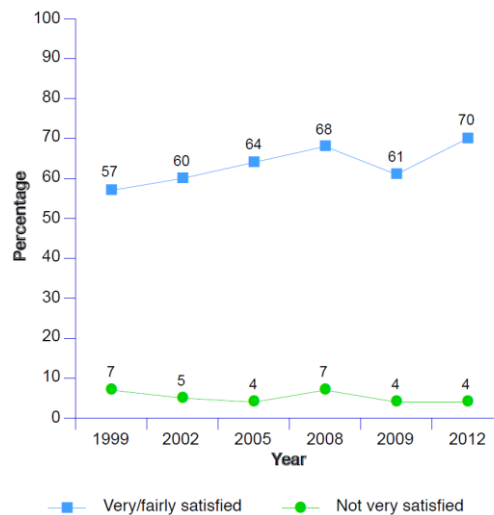
Recreation Programmes And Events



Information to support communities is accessible and relevant. Information about grants assistance is accessible and appropriate. The administration of funding is clear and transparent. [Target: 70% of the community is very or fairly satisfied with the community assistance as measured by Communitrak Survey undertaken at least three yearly.]

70% of the community is very or fairly satisfied with the community assistance provide by Council, with 27% unable to comment.

Community Assistance



COMMUNITY SERVICES

Major Activities

Support of community development via advice, grants and partnership arrangements. Particularly Way2Go, a Nelson Tasman Active Communities project. The aim of the Way2Go programme is to break down barriers to physical activity by providing programmes and information about achievable physical activity and/or active recreation opportunities in local communities.	The Way2Go programme is continuing with funding available to 30 June 2013.
Support of regional recreation programmes.	Recreational programmes have been run across the region, and Council also supports local initiatives with funding and advice. Examples include In Your Neighbourhood, Tasman Skatepark Tour, and Bikewise.
Provision of community events and activities including promotion via website, Mudcakes and Roses, Boredom Busters, JAM Magazine, Newslines, Found Directory, Bike/Walk Tasman, Hummin in Tasman and other media.	The provision of community events and activities are ongoing and being achieved to target. Community events are supported and promoted through Council's website. JAM Magazine is no longer physically produced and is now solely as a website. 20,000 copies of the summer guide (Hummin in Tasman) were produced and positive feedback has been received. Council received an \$8,000 donation from the Canterbury Community Trust towards the publication of the Boredom Buster magazine. Council also received an \$12,000 donation from the Canterbury Community Trust towards the Summer Festival.
Facilitate the Youth Council with regional Recreation Coordinators.	There was a successful wrap-up of the previous Youth Council in November. Youth Councils are currently operating in Richmond, Motueka, Takaka and Murchison. They ran events with the main focus being Event Week in May. Council received an \$8,000 donation from the Canterbury Community Trust towards Youth Council activities in the current year. Council also received an additional \$8,000 donation from the Canterbury Community Trust in June 2012 which is for Youth Council activities in the 2012/2013 financial year. The Canterbury Community Trust has been a generous contributor towards Youth Council activities with numerous grants over the years.
Consider implementing actions identified as priorities in the Nelson Tasman Regional Arts Strategy.	There is an allocation for public art. Currently working with some proposals from Nelson Sculpture Trust. The Kaka Beak sculpture for Motueka is complete and was installed in High Street on 1 July 2012.
Completion of a youth strategy.	This project is currently on hold awaiting the availability of senior staff resources for final analysis and completion of the draft.
Undertake projects that support and develop community engagement with recreation, sport, arts and heritage.	Received funding from Sport NZ (formerly SPARC) for the Get Moving programme, which is focused on walking, running and cycling.

COMMUNITY SERVICES

Jun-11 Actual \$	Community Recreation	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
614,045	General Rates	688,280	682,668	101%
97,731	Fees and Recoveries	142,499	108,856	131%
24,625	Sundry Income	26,637	25,637	104%
736,401	TOTAL INCOME	857,416	817,161	105%
	OPERATING COSTS			
689,334	Community Advisory Service	686,818	725,626	95%
33,490	Boredom Busters	40,442	31,203	130%
41,939	School Swimming Pool Subsidies	45,296	52,121	87%
-	Walk Tasman Booklets	-	8,211	0%
371	Depreciation	502	476	105%
765,134	TOTAL OPERATING COST	773,058	817,637	95%
28,733	NET COST OF SERVICE (SURPLUS)	(84,358)	476	-17722%
	TOTAL FUNDS REQUIRED			
28,733	Net Cost of Service (Surplus)	(84,358)	476	-17722%
28,733		(84,358)	476	-17722%
	SOURCE OF FUNDS			
28,362	General Funds	(84,860)	-	-
28,362		(84,860)	-	-
	NON- FUNDED DEPRECIATION			
371	Depreciation to be funded at income statement level	502	476	105%
28,733		(84,358)	476	-17722%

Comment:

Fees and recoveries include \$28,787 received from the Ministry of Justice towards graffiti/vandalism and \$18,000 received from the NZ Lotteries Grant Board towards the Richmond Rugby World Cup festival. These had not been budgeted for.

COMMUNITY SERVICES

PARKS & RESERVES

What We Do

Tasman District Council manages 598 hectares of reserve land comprising a range of parks, reserves, open spaces and recreational facilities (including 47 playgrounds) for and on behalf of the community. Easily accessible parks and open spaces provide active recreation, play and social opportunities for both residents and visitors. Council's activities in this area aim to assist in the development of healthy, active, functioning communities.

Parks and reserves includes the provision of:

- Urban open spaces and amenity reserves.
- Formal parks and gardens.
- Trees, plots and verges.
- Sports grounds.
- Rabbit Island.
- Rural recreation and esplanade reserves.
- Walkway reserves.
- Scenic and special interest parks.

Why We Do It

Council is required by law and community expectation to manage the use, development and protection of land and natural resources in a way that protects environmental standards and promotes community well-being.

Council recognises it plays a key role in creating the environment in which communities can prosper and enjoy improved health and well-being. The provision of open spaces and recreational facilities influences the way in which people can take part in the life of the community and makes the choice for people to be more active more convenient, easy, safe and enjoyable.

Our Goal

We aim to provide parks, reserves and recreational facilities that promote the physical, psychological, environmental and social well-being of communities in Tasman District.

How this activity contributes to the Community Outcomes

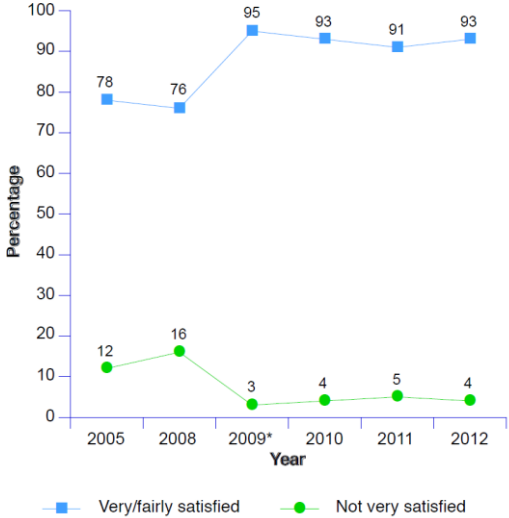
- Protection of the natural environment and ecologically significant areas.
- Provision and enhancement of open space.
- Vegetation enhancement and awareness.
- Enhanced community involvement in conservation and restoration work.
- Protection and enhancement of coastal and riparian areas.
- Provision and enhancement of open space and an interconnected open space network.
- Provision of neighbourhood and community parks within walking distance of homes.
- Provision of open space and recreation facilities that cater for and promote active lifestyles. This includes casual activities such as walking and cycling, and organised sports and recreation activities.
- Reserves and facilities are designed and managed to ensure users safety and cater for the needs of the whole community.
- Provision of high quality open space, recreation and cultural facilities that provides a range of leisure and cultural opportunities.

Our Level of Service

- Interconnected open space network and recreation facilities that provide a range of leisure opportunities and meet the needs of users and the community.

COMMUNITY SERVICES

How We Measure Progress

<p>Area of actively maintained reserve land above 4ha/1000 residents as measured by Yardstick. [Target: Future performance to be amended from current stated target of 4ha/1000 residents to 10ha/1000 residents.]</p>	<p>Current level of service is 12.1 ha/1000 residents (actively managed 9.4 ha/1000). The TRMP states 4ha/1000 residents and this will need to be amended to 10ha/1000 residents at some stage.</p> <p>The Yardstick ParkCheck 2009/10 Parks and Reserves Survey published in April 2010 showed an overall satisfaction level of 89.9% for Council against an average satisfaction level of 86% (16 local authorities participated in this survey). The Yardstick ParkCheck Parks and Reserves Survey is to be undertaken every three years.</p>																					
<p>We have a minimum of 4 playgrounds per 1000 children under 15 years old. [Target: 100% compliance with standard.]</p>	<p>Currently we have 4.9 playgrounds per 1000 children under 15. An independent auditor peer reviewed the work that had been undertaken in this financial year. All playgrounds have been assessed with each playground being given a conditions assessment and a priority replacement rating.</p>																					
<p>Resident satisfaction with reserves score above 80% - as measured by Communitrak surveys undertaken at least 3 yearly. [Target: 80% satisfaction.]</p>	<p>The Communitrak survey shows that 93% of residents overall are satisfied with the District's recreational facilities - which includes playing fields and neighbourhood reserves. (2011: 91% satisfied).</p> <p style="text-align: center;"><i>Recreational Facilities</i></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Recreational Facilities Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>78</td> <td>12</td> </tr> <tr> <td>2008</td> <td>76</td> <td>16</td> </tr> <tr> <td>2009*</td> <td>95</td> <td>3</td> </tr> <tr> <td>2010</td> <td>93</td> <td>4</td> </tr> <tr> <td>2011</td> <td>91</td> <td>5</td> </tr> <tr> <td>2012</td> <td>93</td> <td>4</td> </tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	2005	78	12	2008	76	16	2009*	95	3	2010	93	4	2011	91	5	2012	93	4
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2008	76	16																				
2009*	95	3																				
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2012	93	4																				
<p>We have a current reserves strategy in place.</p>	<p>A Reserves General Policy document has been prepared. This document will go out for community consultation later in the 2012 calendar year. Once this document has been finalised, a reserves strategy will be prepared.</p>																					
<p>Parks, reserves, playgrounds and sportsfields are maintained in accordance with contractual standards. [Target: 90% compliance with contractual standards.]</p>	<p>The required software system changes were made during the current year to quantify the actual compliance level. An independent auditor monitors the contract. They report the number of monitored sites and any failures at the sites, and these results are uploaded into Council's Confirm Asset Management system.</p> <p>There have been no issues with contractual standards.</p>																					
<p>Maintenance and safety queries and faults are dealt with promptly as per contractual standards (e.g. within 3 working days, unless specified as urgent when it will be done within 24 hours. [Target: 85% compliance with contractual standards.]</p>	<p>This measure is reliant upon the contractor updating the status of jobs in Council's Confirm Asset Management system. New contracts will emphasise the requirement that Confirm is updated at the time of completion.</p>																					

COMMUNITY SERVICES

Major Activities

	Budget \$	
Ongoing management, maintenance and renewal of Council parks and reserves.		Parks management and operational activities are an ongoing function being performed to target.
Undertake capital works programme		The capital expenditure programme is being delivered. The key projects undertaken are detailed in the Reserve Financial Contribution tables on page 177
Prepare a Reserves Strategy.		A Reserves General Policy document has been prepared. This document will go out for community consultation later in the 2012 calendar year. Once this document has been finalised, a reserves strategy will be prepared.
Review reserve management plans that are 10 years old and have not had an interim review.		The review of reserve management plans will commence later in 2012 with policy documents for the Richmond Ward being prepared first.
Designing and constructing township entrance signage. [New signage and landscaping at District State Highway entrances].	21,856	A cross-departmental Council team has been set up for this project. The project has been put on hold due to other work priorities.
Treasured Pathway – upgrading signage and promotional materials (working with other agencies). [Joint project with DOC, NCC and MDC].	16,392	A cross-departmental Council team was set up for this project. The project has been cancelled.
Amenity planting in Tasman District. [Tree policy, town street planting].	5,464	Currently awaiting staff to be allocated to project.
Waimea Inlet enhancement (working with other agencies). [Ongoing development of walkway linkages].	8,196	Outside groups are currently working on obtaining external funding to contribute to this project. Awaiting the results of this before the project commences.
Waimea River Park – enhancing walking, cycling, swimming and native replanting. [Confluence of Waimea, Wairoa and Wai-iti Rivers].	20,000	Work on extending Waimea Stopbank Walkway from Livingston Road to Waimea West Road adjacent to the road bridge has been completed. Now working on a priority list of future actions and liaising with community groups on these.
Contribution to developing the Kawatiri Rail Trail [Support for external groups]	5,324	This project is to be incorporated into Tasman's Great Taste Trail.

COMMUNITY SERVICES

Community Buildings

What we do

Council provides buildings that assist in meeting the community demand for indoor meeting and recreation spaces. Our current list of Public Halls and Community Buildings includes 24 halls around the District. We provide multi-purpose halls in most small settlements throughout the District. This is a result of historic development and past community needs. In most cases the halls are well used, performing an important community function and are valued assets in the communities.

The quality of public halls varies dependent on their age and past maintenance and improvement history. In most cases they are maintained to a good standard with the assistance of volunteer Hall Management Committees.

Other facilities, like the Motueka Recreation Centre, have had the management of them contracted out. A few like the Pohara hall are managed directly by Council.

The financial data for this activity also incorporates all the projects funded by the Facilities Rate.

Why we do it

Public halls and community buildings are provided to deliver a range of benefits including:

- Meeting space for community organisations.
- Meeting space for community gatherings.
- Indoor space for community events.
- Indoor space for recreation and arts activities.

The benefits of community buildings are specifically or generally believed to enhance the community's health and well-being.

Our goal

We aim to provide buildings that assist in meeting the community demand for indoor activities and recreation spaces.

How this activity contributes to the Community Outcomes

- Provision of recreation facilities that caters for and promotes healthy communities through social and recreation activity.
- Facilities are designed and managed to ensure users safety and cater for the needs of the whole community.
- Provision of high quality, recreation and cultural facilities that provide a range of leisure and cultural opportunities.

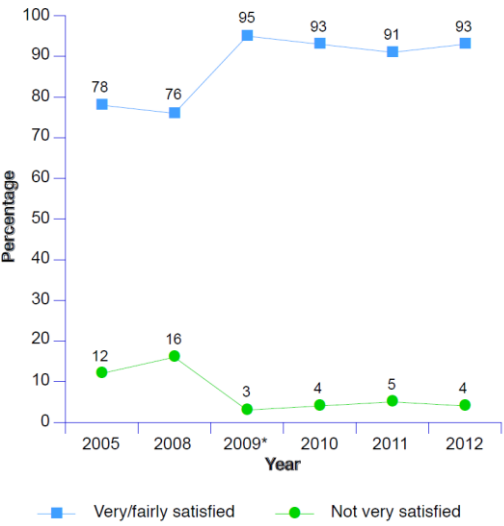
Our levels of service

- Buildings that assist in meeting the community demand for indoor activities and recreation spaces.

How we measure progress

<p>Halls and other buildings provided at a local community level provide reasonable access to indoor activities and recreation space and a central focal facility for all significant communities</p> <p>Targets:</p> <p>Investigating the provision of a new facility in Golden Bay during the first three years.</p> <p>Assist the Mapua community with the upgrade or replacement of the Mapua Hall in 2011/2012 owned by a community trust.</p>	<p>Local community groups have continued their investigations into the proposed Golden Bay facility. Funding has been approved in Year 2 and 3 of the Long Term Plan 2012-2022.</p> <p>Funding for this project has been deferred to the 2012/2013 financial year with \$65,000 allocated in the 2011/2012 financial year to complete plans and necessary consents up to tender stage.</p>
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COMMUNITY SERVICES

<p>Contribute to a community facility in Richmond, subject to the outcome of a needs analysis and further public consultation.</p>	<p>A Needs Analysis and results were reported to Council in August 2010. The outcome of the Needs Analysis is that Council will not be proceeding with a community facility in Richmond.</p>																					
<p>We have a current hall strategy in place (hall strategy to be prepared by June 2011).</p>	<p>This will commence after the Reserve Strategy has been finalised.</p>																					
<p>Residents satisfaction with community halls is 80% or above, as measured through the Communitrak Survey, at least three yearly (currently resident satisfaction with community halls and buildings 70%, where as the satisfaction of users is 80% as measured through the Communitrak Survey 2009).</p>	<p>The Communitrak survey shows that 93% of residents overall are satisfied with the District's recreational facilities - which includes playing fields and neighbourhood reserves. (2011: 91% satisfied).</p> <p style="text-align: center;"><i>Recreational Facilities</i></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Recreational Facilities Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Very/fairly satisfied (%)</th> <th>Not very satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>78</td> <td>12</td> </tr> <tr> <td>2008</td> <td>76</td> <td>16</td> </tr> <tr> <td>2009*</td> <td>95</td> <td>3</td> </tr> <tr> <td>2010</td> <td>93</td> <td>4</td> </tr> <tr> <td>2011</td> <td>91</td> <td>5</td> </tr> <tr> <td>2012</td> <td>93</td> <td>4</td> </tr> </tbody> </table>	Year	Very/fairly satisfied (%)	Not very satisfied (%)	2005	78	12	2008	76	16	2009*	95	3	2010	93	4	2011	91	5	2012	93	4
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Major activities

<p>Ongoing management and maintenance of Council public halls and community buildings, some of which are managed in association with volunteer committees.</p>	<p>Management and maintenance of halls and community buildings is an ongoing function being performed to target.</p>
<p>Undertake the capital works programme.</p>	<p>The capital expenditure programme is underway. The key projects undertaken are detailed in the Community Facilities section on page 180.</p>
<p>Investigate the need for a community facility at Golden Bay.</p>	<p>Local community groups have continued their investigations. Funding has been approved in Year 2 and 3 of the Long Term Plan 2012-2022.</p>
<p>Complete a Community Halls Strategy.</p>	<p>This will commence after the Reserve Strategy has been finalised.</p>
<p>Investigate the development and upgrade of the Wakefield Village Hall and Brightwater Public Hall.</p>	<p>These projects were reconsidered as part of the Long Term Plan 2012-2022 with funding approved for one facility only in 2019/2020.</p>
<p>Assist the Mapua community with funding up to \$65,000 for the specific purpose of preparing plans for the replacement of this hall, up to the tendering stage in 2011/2012.</p>	<p>Funding for this project has been deferred to the 2012/2013 financial year with \$65,000 allocated in the 2011/2012 financial year to complete plans and necessary consents up to tender stage.</p>

COMMUNITY SERVICES

SWIMMING POOLS

What we do

The Council owns and contracts out the management of the ASB Aquatic Centre in Richmond which is a modern, all year operation, indoor 25 metre pool with additional leisure features. The new learners pool was opened during the 2010/2011 year, and a fitness centre was built and opened to the public on 10 June 2011.

Two other small community outdoor pools are provided at Rockville and Upper Takaka, which are managed by the local communities. Funding assistance is also provided by Council to secure community access to some school pools.

Why we do it

Public swimming pool provision provides recreation facilities with wide ranging benefits:

- Learn to swim programmes which are considered a vital public service given our coastal and river environment and high rate of accidental drowning in New Zealand.
- Physical recreation activity to promote health and well-being.
- Sports and competitive activity.
- Leisure and play activity beneficial to families and children.
- A recreation activity available to all ages, gender and ability.

Our goal

We aim to provide swimming pools that assist in meeting the community demand for aquatic activities.

How this activity contributes to the Community Outcomes

- Provision of recreation facilities that cater for and promote healthy communities through social and recreation activity.
- Facilities are designed and managed to ensure their safety and cater for the needs of the whole community.
- Provision of high quality, recreation and cultural facilities that provides a range of leisure and cultural opportunities.

Our levels of service

- Swimming pools that meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programmes.

COMMUNITY SERVICES

How We Measure Progress

<p>Provision of one indoor facility serving the needs of the district at Richmond and assistance with the provision of outdoor pools in other communities, to provide basic access to a swimming facility at a local level. [Target: In 2010/2011 the Council, in conjunction with another party, may provide a swimming pool in Motueka].</p> <p>Council will continue to fund the school swimming pools to ensure public access.]</p>	<p>The funding for the Motueka Swimming Pool project been shifted out beyond the 10 year period of the Long Term Plan 2012-2022.</p> <p>Council continues to fund school swimming pools subsidies with 87% of the budget paid out as at 30 June 2012. [2011: 83%]</p>
<p>Customers are satisfied with the ASB Aquatic Centre, score above 80% as measured by Communitrak Survey undertaken at least three yearly. [Target: Customer satisfaction with the ASB Aquatic Centre is 80% or above, as measured by Communitrak Survey, undertaken at least three yearly.]</p>	<p>Not currently measured.</p> <p>However, the ASB Aquatic Centre carried out their annual leisure check survey in April 2012 which had customer satisfaction of 99%. [2011: 92%]</p>
<p>Council undertakes an annual assessment of the ASB Aquatic Centre compliance with the NZ Swimming Pool water standards. [Target: Annual assessment is undertaken.]</p>	<p>An annual Swimming Pool Audit has been undertaken and all areas of the operation complied with the New Zealand Swimming Pool Water Standards.</p>

Major Activities

<p>Continue to provide funding for the ASB Aquatic Centre.</p>	<p>Funding is provided for as part of the ASB Aquatic Centre management contract.</p>
<p>Continue to provide funding for school pools to ensure public access.</p>	<p>Council continues to fund school swimming pools subsidies with 87% of the budget paid out as at 30 June 2012. [2011: 83%]</p>
<p>Investigate and plan for a pool for Motueka to be built in 2012/2013.</p>	<p>The funding for the Motueka Swimming Pool project been shifted out beyond the 10 year period of the Long Term Plan 2012-2022.</p>

COMMUNITY SERVICES

PUBLIC CONVENIENCES

What we do

Council provides and maintains public conveniences throughout the District to meet community and visitor needs.

Currently there are a total of 64 toilet buildings located throughout the district. This includes seven in Richmond, 16 in Moutere/Waimea, 19 in Motueka, six in Lakes/Murchison, and 16 in Golden Bay. Most of the toilets have modern sanitary systems with a mix of reticulation, septic tank or containment systems.

Public conveniences have been divided into three categories as outlined in the Sanitary Services Assessment 2005:

- Toilet facilities in townships, predominantly to serve local shoppers.
- Toilet facilities in parks and reserves, predominantly to serve local users of the sport and recreational facilities.
- Toilet facilities on main visitor routes or at visitor attractions, predominantly to serve visitor groups.

Existing toilets appear to be meeting current demand and most are in good to excellent condition.

Why we do it

Public conveniences are provided for the following reasons:

- To comply with the Health Act 1956 to provide sanitary conveniences for use by the public.
- For users of parks and reserves.
- For visitors to town centres.
- For the travelling public.

The private sector provides limited numbers of public conveniences, therefore provision by local government, as a public good, is required.

Our goal

We aim to provide clean public toilet facilities to meet community and visitor needs, in appropriate locations.

How this activity contributes to the Community Outcomes

- Provision of attractive well maintained and functional toilet facilities.
- Facilities are designed and managed to ensure public safety.

Our levels of service

- Public Conveniences at appropriate locations that meet the needs of users and are pleasant to use and maintained to a high standard of cleanliness.

COMMUNITY SERVICES

How we measure progress

Customers are satisfied with our Public toilets as measured by the Communitrak Survey undertaken at least three yearly. [Target: Customer satisfaction with public conveniences is 70% or above.]	80% of users were satisfied or very satisfied with the public conveniences as measured by the Communitrak Survey undertaken in 2012. [2011: 81%]
Our toilets are cleaned and maintained to the appropriate contract specification as measured in the bi-monthly sample contract audit. [Target: At least 90% compliant with contract cleaning specifications.]	The required software system changes were made during the current year to quantify the actual compliance level. An independent auditor monitors the contract. They report the number of monitored sites and any failures at the sites, and these results are uploaded into Council's Confirm Asset Management system. There have been no issues with contractual standards.
New toilets are provided where there is a demonstrated need. [Target: New toilets will be built at: • Ben Cooper Park 2011/2012	The toilets at Ben Cooper Park have been deferred to 2014/2015 in the Long Term Plan 2012-2022.

Major Activities

Ongoing management, maintenance and renewal of Council public conveniences.	Management and maintenance of public conveniences is an ongoing function being performed to target.
Undertake capital expenditure programme.	The capital expenditure programme is underway.
Undertake review of public conveniences.	This review has not commenced. The Activity Management Plan Improvement Plan states that this review is to be undertaken by June 2013.
There are new or replacement toilets planned in Golden Bay, and at Waterfront Park in Mapua.	The toilets at Rototai have been completed. A tender for the Waterfront Park toilets has been accepted, and work is due to commence shortly.

CEMETERIES

What we do

A total of 12 cemeteries are provided across the District in the following locations:

- Richmond
- Bainham, Collingwood
- Collingwood
- Fletts Road, Lower Moutere
- Kotinga
- Motueka
- Murchison
- Rototai, Takaka
- Spring Grove
- Waimea West, Brightwater
- Marawera, Tapawera
- Foxhill

Most burial activity occurs at the main cemeteries located in Richmond, Motueka and Takaka. Tasman District Council manages cemeteries throughout the District providing accessible and appropriate sites for burial. Natural burials are provided for in the Motueka and Rototai cemeteries. A natural burial area will be developed in Spring Grove cemetery (subject to suitability) during 2013.

All these cemeteries have a significant number of plots available and, at current burial rates, there is no demand for additional land within the next 20 years, except for Richmond.

Long term there is a requirement to provide land for an alternative to the existing Richmond Cemetery. Due to social issues and the time it takes to develop cemeteries, it is preferable to purchase suitable land and to publicise the intended use well before any actual need.

We provide a small amount of funding for maintenance of privately managed cemeteries (e.g. Urupa and trustee cemeteries).

Why we do it

Cemeteries are provided for the following reasons:

- Public health.
- Comply with the requirements of the Burial and Cremation Act 1964.

Our goal

We aim to provide an attractive and peaceful environment for the burial, memorial and remembrance of the deceased.

How this activity contributes to the Community Outcomes

- Provision of attractive and functional cemeteries.

Our levels of service

- Cemeteries that offer a range of burial options and adequate space for future burial demand.

COMMUNITY SERVICES

How we measure progress

<p>Planning assessment of future burial demands predicts adequate space available for at least 20 years. [Target: Future acquisition of additional land is investigated in the Richmond area.]</p>	<p>An informal investigation has begun regarding which areas in Richmond have the right soil conditions for future burial demands.</p>
<p>Cemeteries are maintained in accordance with the contractual standards in the Parks and Reserves Asset Management Contracts. [Target: 90% compliance with the contractual standards.]</p>	<p>The required software system changes were made during the current year to quantify the actual compliance level. An independent auditor monitors the contract. They report the number of monitored sites and any failures at the sites, and these results are uploaded into Council's Confirm Asset Management system.</p> <p>There have been no issues with contractual standards.</p>

Major Activities

<p>Ongoing management and maintenance of Council cemeteries.</p>	<p>Management and maintenance of Council cemeteries is an ongoing target being performed to target.</p>
<p>No projects have been identified, although opportunities for the purchase of land for a new cemetery in Richmond need to be considered.</p>	<p>Suitable areas for land purchase have been identified by a soil scientist. Land coming available for sale in these areas will be considered.</p>

COMMUNITY SERVICES

Jun-11 Actual \$	Parks and Reserves	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
4,621,426	General rates	4,895,803	4,856,021	101%
1,725,510	Reserve Financial Contributions	1,368,215	970,000	141%
775,346	Fees and Recoveries	513,271	498,871	103%
272,563	Sundry Income	294,848	283,785	104%
7,394,845	TOTAL INCOME	7,072,137	6,608,677	107%
	OPERATING COSTS			
269,883	Cemeteries	232,217	331,131	70%
534,152	Public Conveniences	561,773	630,089	89%
906,429	Urban Open Space & Amenity Reserves	898,773	851,214	106%
12,000	Gateway Projects	-	49,176	0%
192,065	Trees, Plots and Verges	173,477	207,252	84%
158,711	Formal Parks & Gardens	157,197	197,800	79%
49,538	Special Interest sites	78,654	88,518	89%
525,937	Sports Grounds	540,449	565,941	95%
372,239	Rabbit Island	394,860	381,255	104%
397,885	Rural Recreation & Esplanade Reserves	380,862	453,037	84%
179,649	Walkways	183,876	195,297	94%
149,393	Miscellaneous	135,607	134,754	101%
1,369,775	Asset Management	1,261,639	1,080,587	117%
543,604	Special Purpose Committees	560,983	543,312	103%
166,725	Loan Interest	141,919	191,798	74%
848,275	Reserve Financial Contributions Maintenance	895,045	1,007,598	89%
262,030	Depreciation	258,975	353,026	73%
6,938,290	TOTAL OPERATING COST	6,856,306	7,261,785	94%
(456,555)	NET COST OF SERVICE (SURPLUS)	(215,831)	653,108	-33%
	TOTAL FUNDS REQUIRED			
(456,555)	Net Cost of Service (Surplus)	(215,831)	653,108	-33%
1,916,382	Capital	1,038,415	945,132	110%
207,028	Loan Principal Repaid	212,430	309,676	69%
1,666,855		1,035,014	1,907,916	54%
	SOURCE OF FUNDS			
234,317	General Funds	(139,008)	-	-
286,052	Loans raised	100,000	500,000	20%
405,654	Allocation from Camping, Comm Housing & Forestry	435,580	450,178	97%
460,945	Restricted Reserves Applied	374,467	604,712	62%
17,857	Advances Repaid	5,000	-	-
1,404,825		776,039	1,554,890	50%
	NON- FUNDED DEPRECIATION			
262,030	Depreciation to be funded at income statement level	258,975	353,026	73%
1,666,855		1,035,014	1,907,916	54%

COMMUNITY SERVICES

COMMUNITY FACILITIES

Council introduced the concept of a Community Facilities Rate in the 2003/2004 financial year to provide a unique funding source for a wide range of community, recreational, sporting and cultural projects that were being proposed throughout the District, and for the benefit of residents of the District.

Completed projects that have been funded to date by the Community Facilities Rate include the Rotoiti Community Hall, the Moutere Hills Community Centre, ASB Aquatic Centre, the Grandstand at Sports Park Motueka, the Murchison Sport, Recreation and Cultural Centre, the Tasman Tennis Centre upgrades and new courts, a contribution to the Maruia Hall, the purchase of 3000 temporary seats for use at various sporting and other events, contributions under an agreed funding formula for ongoing developments at Saxton Field, and contributions to the upgrade of the Theatre Royal and to the upgrade of the Trafalgar Centre.

In 2005 Council split the Community Facilities Rate into a District Facilities Rate and a Regional Facilities Rate to cover the wide range of projects both within the Tasman District and also in Nelson City. Council proposes to continue with the two Facilities Rates covering both the previous District and Regional Facilities. However the Regional Facilities will be renamed Shared Facilities as this recognises that most of the regional facilities are actually shared facilities that are used by many residents of both districts. Each of these rates is charged on all properties within Tasman District.

Council also has a Community Facilities Operating Rate, which provides funding to assist with the operating costs of the Moutere Hills Community Centre, Motueka Recreation Centre, ASB Aquatic Centre, Murchison Sport, Recreation and Cultural Centre, Rotoiti Community Hall, and Saxton Field Stadium.

Note: All rate figures listed in this section include GST and Inflation.

Proposed District Facilities Rate Funded Projects	
<p><u>Motueka swimming pool</u></p> <p>In the Ten Year Plan 2009-2019 a \$3.5 million allocation was budgeted towards a swimming pool facility in Motueka in 2011/2012.</p> <p>It was proposed that this will be a shared facility with another organisation such as a school or other community group. The project will be loan funded. Council is retaining \$750,000 in the 2011/2012 year as a contribution towards design work. Council has deferred the remaining \$2.75 million until the 2012/2013 year. The rating impact for the 2011/2012 year is likely to be about \$2.75 per rateable property from 1 July 2011.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>The funding for the Motueka Swimming Pool project been shifted out beyond the 10 year period of the Long Term Plan 2012-2022.</p>
<p><u>Mapua Public Hall</u></p> <p>In the Ten Year Plan an allowance of \$875,864 was made in 2011/2012 towards the cost of a major upgrade or replacement of this community facility. The project will be loan funded. Council has provided in the 2011/2012 budget up to \$65,000 for the specific purpose of preparing building plans to enable the work to go to tender. The remaining funding will be deferred until 2012/2013. This hall is owned by the Mapua Public Hall Society Incorporated.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>Funding for this project has been deferred to the 2012/2013 financial year with \$65,000 allocated in the 2011/2012 financial year to complete plans and necessary consents up to tender stage.</p>

COMMUNITY SERVICES

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Proposed Shared Facilities Rate Funded Projects	
<p><u>Saxton Field continued development</u></p> <p>In conjunction with Nelson City Council, Saxton Field is continuing to be developed and this work is expected to continue over the next 8 years as new areas are developed and opened up for public use. The total cost to Tasman District of this work is expected to be approximately \$4.9 million by 2018/2019. The work will be loan funded and the rating impact in 2011/2012 is \$12.42.</p>	<p>Council, in conjunction with Nelson City Council continues to fund infrastructure development at Saxton Field. Construction of a main entrance off Main Road, Stoke has commenced this financial year, and is expected to be completed in 2012/2013.</p>
<p><u>Motorsport Park</u></p> <p>In the Ten Year Plan an allowance of \$630,500 was made in 2010/2011 towards the cost of providing a motorsport facility within the District. As Council has not yet made a final decision to contribute funding towards a motorsport facility in the District, it is proposing to defer the funding of this project until 2012/2013. The reasons for the deferral are to reduce the overall rates increase for ratepayers in the 2011/2012 year, and because the timing of the project means the funding, if allocated, is more likely to be required in the 2012/2013 year.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>The motorsport proposal has received a resource consent. In the Long Term Plan 2012-2022 amendments have been made to the proposed District Facilities to reduce the District Facilities Rate. The funding for this project been deleted from the coming ten years.</p>
<p><u>Rowing/watersports complex</u></p> <p>A proposal for a rowing/watersports venue is currently being investigated by the Tasman Aquatic Multisport Trust for the District.</p> <p>While no funding has been allocated at this time, Council has indicated general support for the concept, recognising the potential economic and recreational benefits for the community. A feasibility study, subject to criteria to the satisfaction of Council, needs to be completed. If satisfied with the feasibility study, Council will undertake public consultation on the proposal and reconsider any funding to be allocated to the project.</p>	<p>A copy of the feasibility study has been received. In the Long Term Plan 2012-2022 amendments have been made to the proposed Shared Facilities to reduce the Shared Facilities Rate. The funding for this project been deleted from the coming ten years.</p>
<p><u>Cycling Track - Saxton Field</u></p> <p>An allowance of \$526,000 has been made in 2011/2012 towards the total costs of constructing a cycling track. This will be loan funded and the rating impact is likely to be about \$0.95 per rateable property from 1 July 2011, increasing to about \$1.95 per rateable property from 1 July 2012.</p> <p>Funding for this project is subject to NCC also providing funding for this project.</p>	<p>Planning/investigation work is currently underway. Construction is proposed to commence in the 2012/2013 financial year.</p>

COMMUNITY SERVICES

Jun-11 Actual \$	Community Facilities Rate	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
90,556	General Rates	91,725	90,968	101%
3,241,335	Targeted Rates	3,524,537	3,487,753	101%
655,754	Fees and Recoveries	204,443	-	-
3,987,645	TOTAL INCOME	3,820,705	3,578,721	107%
	OPERATING COSTS			
2,623,925	Operational Expenses	2,323,286	3,376,452	69%
1,326,824	Loan Interest	1,280,169	1,548,323	83%
97,172	Depreciation	98,949	117,866	84%
4,047,921	TOTAL OPERATING COST	3,702,404	5,042,641	73%
60,276	Net Cost of Service (Surplus)	(118,301)	1,463,920	-8%
	TOTAL FUNDS REQUIRED			
60,276	Net Cost of Service (Surplus)	(118,301)	1,463,920	-8%
2,096,150	Capital	365,593	-	-
573,652	Transfer to Restricted Reserves	591,166	-	-
551,284	Loan Principal Repaid	591,019	620,834	95%
3,281,362		1,429,477	2,084,754	69%
	SOURCE OF FUNDS			
183,817	Restricted Reserves Applied	-	143,804	0%
3,000,373	Loans raised	1,330,528	1,823,084	73%
3,184,190		1,330,528	1,966,888	68%
	NON- FUNDED DEPRECIATION			
97,172	Depreciation to be funded at income statement level	98,949	117,866	84%
3,281,362		1,429,477	2,084,754	69%

Comment:

Fees and recoveries relates to grants received towards the Motueka Recreation Centre.

Capital expenditure is mainly comprised of the final costs/retentions for the ASB Aquatic Centre fitness centre and Learn to Swim pool, and the Motueka Recreation Centre.

Operational expenditure is down on budget mainly due to the Motueka Swimming Pool project being deferred (budget \$750,000), and the timing of the Saxton Field cycling track.

COMMUNITY SERVICES

Reserve Financial Contributions

How funds are received

All new subdivisions, from one new lot up to hundreds of new lots, are required to pay Reserve Financial Contributions for reserves and other Council facilities. Reserve Financial Contributions are based on 5.5 percent of the value of all new allotments, less the value of any land taken for reserves or walkways. Credits are also given in some cases for work that is carried out on these areas of land, over and above levelling and grassing. Examples of such credits would be children's play equipment and formation of paths.

Reserve Financial Contributions are also payable as a percentage of the cost of some large constructions. For example, new factories and commercial premises.

All Reserve Financial Contributions received must be separately accountable and the Council keeps Reserve Financial Contributions received in four separate accounts as follows:

- Golden Bay Ward
- Motueka Ward
- Moutere/Waimea and Lakes/Murchison Wards
- Richmond Ward

Income in each of these accounts varies considerably from year to year, depending on the demand for new sections and the availability of land for development.

What the Reserve Financial Contributions can be used for

Strict criteria apply to the use of Reserve Financial Contributions with use being in the main restricted to:

- Land purchase for reserves
- Capital improvements to reserves
- Other capital works for recreation activities

Allocation of Funds

Each year as part of the Council's Ten Year Plan review or Annual Plan process, a list of works in each of the four Reserve Financial Contributions accounts is produced by staff and these include requests received from Council's Reserve and Hall Management Committees and other organisations that are recreation related.

These requests are considered by the Community Boards in Golden Bay and Motueka, and the Ward Councillors for each of the four ward groupings listed above. Recommendations are then forwarded to the Council's Community Services Committee for approval before being included in the draft Ten Year Plan or Annual Plan.

COMMUNITY SERVICES

District Wide Reserve Financial Contributions	2011/2012 Actual \$	Annual Plan 2011/2012 Budget \$
PROJECTS		
Management Plans	-	5,474
Consultant Fees	42,671	30,000
Library Books	54,774	54,742
Protected Trees/Tree Policy	11,352	-
GOLDEN BAY WARD		
Halls and Reserves	13,817	40,000
Revegetation Work	18,504	21,856
MOTUEKA WARD		
Halls and Reserves	147,143	40,000
Revegetation Work	8,902	16,392
MOUTERE/WAIMEA AND LAKES/MURCHISON WARDS		
Halls and Reserves	16,043	75,000
Revegetation Work	47,021	21,856
RICHMOND WARD		
Halls and Reserves	16,987	20,000
Revegetation Work	9,693	21,856
OTHER		
Valuation Costs	21,141	10,000
Reserve Contribution Overheads	199,193	177,336
Loan interest and principal	16,362	31,135
Rainbow Ski Field funding	12,857	-
Security camera	5,750	-
TOTAL EXPENDITURE	642,210	565,647
Estimated Opening Balance (Revised for Annual Plan)	(50,233)	4,523
General Rate Allocation	309,055	306,544
Transfer from Ward Accounts	208,445	208,445
Sundry income	57,555	54,734
	524,822	574,246
Expenditure	642,210	565,647
ESTIMATED CLOSING BALANCE	(117,388)	8,599

COMMUNITY SERVICES

Golden Bay Reserve Financial Contributions	2011/2012 Actual \$	Annual Plan 2011/2012 Budget \$
PROJECTS		
WALKWAYS/CYCLEWAYS		
General	-	60,000
East Takaka Walkway/Cycleway	7,207	-
SPORTS FIELDS		
Golden Bay Recreation Reserve	5,282	-
PICNIC AREAS		
Ligar Bay Beach Development	-	10,000
GARDENS		
Art Works	-	16,392
General	-	21,856
PLAYGROUNDS		
General – New reserves etc	54,472	65,000
TOILETS		
Labyrinth Rocks	2,945	-
General	25,679	60,000
COASTCARE		
General	73,278	54,742
MISCELLANEOUS		
School Pools – Upgrades	65,243	-
Security Cameras	6,260	-
Collingwood Museum capital upgrade	21,701	-
Golden Bay Tennis – shade sails	1,500	1,500
Other	1,243	-
Transfer to District-wide Financial Contributions	43,444	43,444
Loan interest and principal	7,225	7,716
TOTAL EXPENDITURE	315,479	340,650
Estimated Opening Balance (Revised for Annual Plan)	964,055	379,908
Projected Income	48,182	130,000
	1,012,237	509,908
Expenditure	315,479	340,650
ESTIMATED CLOSING BALANCE	696,758	169,258

COMMUNITY SERVICES

Motueka Reserve Financial Contributions	2011/2012 Actual \$	Annual Plan 2011/2012 Budget \$
Projects		
WALKWAYS/CYCLEWAYS		
General	53,884	32,912
Tapu/Stephens Bay	11,830	21,856
SPORTS FIELDS		
Sports Park Motueka Carpark etc	9,846	-
PICNIC AREAS		
General	1,933	10,000
Beach Reserves	-	21,942
Motueka Quay – Carparking etc	1,070	-
GARDENS		
Goodman Ponds		10,928
Art Work	5,000	20,000
PLAYGROUNDS		
General – New reserves etc	-	54,854
CEMETERIES		
General	-	10,000
Fletts Road Cemetery	1,768	6,392
COASTCARE		
General	1,695	16,392
Motueka Foreshore Protection	2,843	21,942
MISCELLANEOUS		
Keep Motueka Beautiful – Project support	7,778	11,496
Motueka Clock Tower Trust – Loan	7,000	8,211
Imagine Theatre – New Work	2,159	20,000
Future Planning	-	10,948
Motueka Quay Wharf Repair	14,228	21,856
Library Extension Investigation	-	20,000
Motueka Museum – weatherproofing	4,097	25,000
Transfer to District Wide Financial Contributions	45,741	45,741
Loan interest and principal	42,890	38,309
TOTAL EXPENDITURE	213,762	428,779
Estimated Opening Balance (Revised for Annual Plan)	1,273,804	316,287
Projected Income	576,790	220,000
	1,850,594	536,287
Expenditure	213,762	428,779
ESTIMATED CLOSING BALANCE	1,636,832	107,508

COMMUNITY SERVICES

Moutere/Waimea and Lakes/ Murchison Reserve Financial Contributions	2011/2012 Actual \$	Annual Plan 2011/2012 Budget \$
Projects		
WALKWAYS/CYCLEWAYS		
Wakefield/Brightwater	5,998	-
Rural 3 Areas	4,243	21,942
Mapua District	13,169	10,928
Miscellaneous	12,001	40,000
SPORTSFIELDS		
Murchison – Road Sealing, Pony Club shed, etc.	-	8,000
Lord Rutherford Development	4,004	21,942
Upper Moutere Cricket Wicket	4,004	-
Tapawera – sealing walkway bridge	3,370	5,000
PICNIC AREAS		
General	6,648	10,928
Waimea River Park	-	10,000
GARDENS		
Murchison Playground	7,075	-
Brightwater Village Green	-	98,737
General	7,016	10,928
PLAYGROUNDS		
General – New Reserves etc	4,121	43,883
McKee Reserve and Mapua Reserve upgrades	11,987	-
TOILETS		
Waterfront Park	4,944	109,708
Hoddy Reserve	384	-
TENNIS COURTS		
Wakefield Tennis Resurfacing	51,874	0
CEMETERIES		
General		10,000
COASTCARE		
General	30,272	20,000
NEW RESERVES		
Wetland – Dominion Road	-	30,000
General	23,478	0
HALL TRUSTS		
Miscellaneous	6,161	5,000

COMMUNITY SERVICES

MISCELLANEOUS		
Mapua Waterfront Park \$1 million	331,746	-
BMX Tracks/Pump Tracks (Tasman)	5,769	8,000
Rabbit Island Development / Roding	514	-
Equestrian Park Development	644	-
Wakefield Domain Football Club upgrade	26,121	-
Higg Road damages NZTA	11,681	-
Tapawera Gateway project	2,303	-
Tasman Cycle Loop contribution	50,000	-
LOAN		
Interest and Principal	118,806	159,222
Transfer to District Wide Financial Contributions	82,018	82,018
TOTAL EXPENDITURE	830,351	706,236
Estimated Opening Balance (Revised for Annual Plan)	473,462	700,000
Loans Raised	50,000	-
Projected Income	381,794	320,000
	905,256	1,020,000
Expenditure	830,351	706,236
ESTIMATED CLOSING BALANCE	74,905	313,764

COMMUNITY SERVICES

Richmond Reserve Financial Contributions	2011/20112 Actual \$	Annual Plan 2011/2012 Budget \$
Projects		
WALKWAYS/CYCLEWAYS		
General	-	109,708
Tasman Loop	50,000	-
Estuary	4,565	27,427
SPORTS FIELDS		
Training Lights – General	87,048	65,825
Cricket Nets – Jubilee Park	16,500	-
PICNIC AREAS		
Waimea River Park		10,000
Aniseed Valley	10,167	-
Sandeman Carpark	612	-
GARDENS		
Art Work	-	16,392
Washbourn Gardens – Power Upgrades etc	5,229	16,456
PLAYGROUNDS		
Chelsea Ave Reserve	1,200	54,854
Richmond Pool Site	25,080	-
General	3,593	-
MISCELLANEOUS		
Reservoir Creek Native Bush	15,840	27,321
Future Planning	-	5,474
Hope Tennis Courts	24,902	-
Other	837	-
Aged Concern power upgrade	4,677	-
Nelson A&P Association – historic building upgrade	-	5,000
Transfer to District Wide Financial Contributions	37,242	37,242
Loan interest and principal	159,944	176,537
TOTAL EXPENDITURE	447,436	552,236
Estimated Opening Balance (Revised for Annual Plan)	431,319	490,000
Loans Raised	50,000	-
Projected Income	380,205	300,000
	861,524	790,000
Expenditure	447,436	552,236
ESTIMATED CLOSING BALANCE	414,088	237,764

COMMUNITY SERVICES

CAMPING GROUNDS

What We Do

Council owns four commercially operated camping grounds on reserve land in Collingwood, Motueka, Pohara and Murchison. These camping grounds assist in meeting the demand for camping at popular holiday destinations in Tasman District for both visitors and residents.

Eventually all the camping grounds will be operated on long-term commercial lease arrangements.

Why Do We Do It

The camping grounds are located on reserve land at popular holiday destinations. They provide an opportunity for low cost holiday and visitor accommodation and deliver a range of benefits including:

- Providing unique recreation and holiday experiences.
- Providing facilities to cater for local residents and visitors to the District.
- Providing low cost access to riverside and coastal camping.

These reserves have historically been used as camping grounds – a permitted activity under the Reserves Act 1977. Council recognises that operating camping grounds is not core business and has endeavoured to enter into long-term lease arrangements to limit its involvement in the day-to-day running of these businesses.

Our Goal

Our aim is to ensure that Council-owned camping grounds provide holiday opportunities for visitors and residents and that they continue to be commercially viable and provide good financial returns to Council.

How this activity contributes to the Community Outcomes

- Provision of camping grounds that enable people to have affordable and enjoyable holidays in the outdoors.

Our Level of Service

- Camping grounds to provide the opportunity for people to have holidays in the outdoors.

How we measure progress

Camping grounds are well used, measured through annual dividends returned to Council. [Target: Dividend increased to \$262,915]	Annual dividend of \$262,915 returned to Council.
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Major Activities

Deliver capital expenditure programme.	The capital expenditure programme is being delivered, with building upgrades at Pohara Beach camping ground, and furniture and fixture upgrades at Collingwood camping ground.
Organise long term lease for Collingwood camping ground.	A manager has been appointed. It will probably be at least three years before Council is in a position to organise a long term lease.

COMMUNITY SERVICES

Jun-11 Actual \$	Camping Grounds	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
610,554	Fees and Recoveries	671,351	691,748	97%
24,625	Sundry Income	26,639	25,640	104%
635,179	TOTAL INCOME	697,990	717,388	97%
	OPERATING COSTS			
26,344	Motueka Top 10 Holiday Park	27,946	42,132	66%
40,031	Pohara Beach Top 10 Holiday Park	37,194	57,132	65%
133,414	Collingwood Motor Camp	138,130	173,457	80%
30,704	Riverview Holiday Park	26,005	31,577	82%
36,082	General	31,732	37,866	84%
56,939	Loan Interest	53,896	60,370	89%
51,156	Depreciation	65,540	65,838	100%
374,670	TOTAL OPERATING COST	380,443	468,372	81%
(260,509)	NET COST OF SERVICE(SURPLUS)	(317,547)	(249,016)	128%
	TOTAL FUNDS REQUIRED			
(260,509)	Net Cost of Service (Surplus)	(317,547)	(249,016)	128%
291,480	Capital	67,600	75,454	90%
234,577	Transfer to Parks & Reserves Account	262,915	262,915	100%
-	Transfer to Restricted Reserves	25,779	-	-
56,730	Loan Principal Repaid	33,780	58,348	58%
322,278		72,527	147,701	49%
	SOURCE OF FUNDS			
140,000	Loans Raised	6,987	-	-
131,122	Restricted Reserves Applied	-	81,863	0%
271,122		6,987	81,863	9%
	NON- FUNDED DEPRECIATION			
51,156	Depreciation to be funded at income statement level	65,540	65,838	100%
322,278		72,527	147,701	49%

COMMUNITY SERVICES

COMMUNITY HOUSING

What we do

This activity involves providing housing predominantly for elderly and other people who comply with the Council's Policy on Pensioner Housing. Council owns 34 cottages in Richmond, seven each in Brightwater and Wakefield, 45 cottages in Motueka and four cottages each in Takaka and Murchison, giving a total of 101.

Housing allocation is carried out as per Tasman District Council's Policy on Pensioner Housing. This policy also sets income and asset limits and eligibility criteria.

This activity is provided for at no cost to the ratepayers, as rental income covers the total operating costs.

Why We Do It

Prior to 1992 Government provided subsidies and low interest loans to local authorities to provide housing for the elderly. When these subsidies ceased Council resolved to continue with the provision of housing.

Council considers it has a social responsibility to provide affordable cottages for pensioners.

Our Goal

To provide housing for elderly and other people who meet the criteria of Council's Policy on Pensioner Housing that is affordable, accessible and appropriate.

How this activity contributes to the Community Outcomes

- By providing good quality affordable housing for the elderly and others who meet the criteria of Council's Policy on Pensioner Housing.

Our Levels of Service

- Housing that helps meet the needs of the elderly and people with disabilities.

How We Measure Progress

The tenants are satisfied with the standard, quality and management of cottages. [Target: Tenant satisfaction with standard, quality and management of cottages is 80% as measured through a biennial survey].	In 2011, there were 95 surveys sent out, with 84 completed surveys returned. Of the completed surveys returned, 100% were satisfied with how their tenancy is managed. There were also an overall 91% satisfaction with the condition of the cottages, and 98% satisfaction with how their enquiries are dealt with when they contact Council.
Three new cottages may be built in 2009/10	Four new cottages have been built in Richmond, with the first tenants moving in at the end of January 2012.
Our cottage rents do not exceed 80% of market rentals, as measured at least three yearly by a registered valuer.	A market assessment was undertaken in November 2010 by registered valuer – Duke & Cooke. Rents are currently set at 70% of the 2007 market rate for couples, and 60% of the 2007 market rate for the rest, at all locations. Rents will be increased in November 2012, to reflect the new market assessment.

COMMUNITY SERVICES

Major Activities

Completion of four additional cottages in Richmond in 2011.	Four new cottages have been built in Richmond, with the first tenants moving in at the end of January 2012
Continue provision and management of existing housing.	This is an ongoing function being performed to target.

Jun-11 Actual \$	Community Housing	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
490,547	Fees and Recoveries	498,565	503,126	99%
38,503	Sundry Income	41,654	40,093	104%
529,050	TOTAL INCOME	540,219	543,219	99%
	OPERATING COSTS			
398,832	General	423,392	457,008	93%
16,806	Loan Interest	11,017	8,853	124%
62,251	Depreciation	81,399	77,152	106%
477,889	TOTAL OPERATING COST	515,808	543,013	95%
(51,161)	NET COST OF SERVICE (SURPLUS)	(24,411)	(206)	11850%
	TOTAL FUNDS REQUIRED			
(51,161)	Net Cost of Service (Surplus)	(24,411)	(206)	11850%
61,835	Capital	475,083	-	-
26,077	Transfer to Parks & Reserves Account	27,665	27,665	100%
77,614	Loan Principal Repaid	37,349	57,184	65%
114,365		515,686	84,643	609%
	SOURCE OF FUNDS			
-	Loans Raised	130,000	-	-
52,114	Restricted Reserves Applied	304,287	7,491	4062%
52,114		434,287	7,491	5797%
	NON- FUNDED DEPRECIATION			
62,251	Depreciation to be funded at income statement level	81,399	77,152	106%
114,365		515,686	84,643	609%

Comment

The four additional cottages in Richmond have been funded out of reserves, and by loan.

GOVERNANCE

GOVERNANCE

What We Do

This activity involves running the electoral process to provide the District with a democratically elected Mayor, Council and Community Boards and the governance of the District by its elected representatives. It also involves:

- Support for councillors.
- Organising and preparation for Council meetings.
- Preparing Council's strategic plans and annual financial reports.
- Running elections and democratic processes.

Why We Do It

We undertake this function to support democratic processes and Council decision-making, while meeting our statutory functions and requirements.

Electoral process

Tasman District is divided into five electoral wards – Golden Bay, Lakes/Murchison, Motueka, Moutere/Waimea and Richmond. Councillors are elected by ward. The Mayor is elected from across the District. We have Community Boards in Golden Bay and Motueka.

Elections are held every three years under the Local Electoral Act 2001.

Council comprises a Mayor and 13 Councillors elected as follows:

Ward	Councillors
Golden Bay	2
Lakes/Murchison	1
Motueka	3
Moutere/Waimea	3
Richmond	4

Friendly towns

Tasman District Council enjoys Friendly Town relationships with three cities, two in Japan and one in Holland. Motueka has a relationship with Kiyosato, Japan and Richmond with Fujimi-Machi, Japan. There are regular exchanges of students and adults between the towns. Takaka has a Friendly Towns Relationship with Grootegast in Holland, and the Tasman District Council has a Friendly Communities Relationship with Grootegast Council. These relationships foster and encourage economic and cultural relations between the areas.

How this activity contributes to the Community Outcomes

- The Governance activity contributes to the community outcomes by ensuring democratic processes and strategic planning are undertaken, and by supporting the work of elected members.

GOVERNANCE

Our Levels of Service

- Support for Iwi to enable them to be consulted on Council statutory issues.
- Support for economic development in the Tasman District.
- Good strategic and annual planning for the Council.
- Effectively run election processes.

Jun-11 Actual \$	GOVERNANCE	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
3,994,964	Governance	3,817,648	3,913,852	98%
3,994,964	TOTAL COSTS	3,817,648	3,913,852	98%

How We Measure Progress

Funding is provided to enable Iwi consultation with Council on a wide range of statutory issues. [Target: 90% of funding budgeted is allocated during any given year.]	Council continues to provide funding and engage with Iwi on a wide range of issues. At 30 June 2012, 73% of funding budgeted for the year had been allocated. Funding had been allocated for preparation of an Iwi management plan, and work has commenced on preparation of the plan.
Funding is provided for economic development opportunities in Tasman District. [Target: 90% of funding budgeted is allocated during any given year.]	Council continues to provide funding for economic development. At 30 June 2012, all funding budgeted for the year had been allocated (including a shortfall in the amount invoiced from the 2009/2010 financial year)
The Ten Year Plan is prepared within statutory timeframes. Variations to this Ten Year Plan through the 2010/2011 draft Annual Plan process are well managed. [Target: All Ten Year Plan statutory timeframes are met. Variations are managed to meet statutory requirements.]	Council completed its Long Term Plan 2012-2022. All statutory requirements and timeframes were met.
The election process is carried out effectively and there are no successful challenges (there are no successful challenges to the 2010 election processes)	The 2011 Golden Bay councillor by-election process was undertaken effectively and there were no challenges to the process. Council was responsible for the Tasman District poll on the proposed Nelson City/Tasman District amalgamation.

GOVERNANCE

Jun-11 Actual \$	Governance	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
3,243,623	General Rates	3,864,522	3,833,115	101%
333,662	Targeted Rates	332,716	343,086	97%
90,293	Fees and Recoveries	175,191	90,955	193%
158,220	Sundry Income	171,154	164,732	104%
3,825,798	TOTAL INCOME	4,543,583	4,431,888	103%
	OPERATING COSTS			
3,298,571	Council and Community Boards	3,322,640	3,434,284	97%
338,112	Community Assistance	234,038	274,239	85%
99,353	Elections	53,225	2,815	1891%
254,684	Economic Development	202,000	197,069	103%
4,244	Depreciation	5,745	5,445	106%
3,994,964	TOTAL OPERATING COST	3,817,648	3,913,852	98%
169,166	NET COST OF SERVICE (SURPLUS)	(725,935)	(518,036)	140%
	TOTAL FUNDS REQUIRED			
169,166	Net Cost of Service (Surplus)	(725,935)	(518,036)	140%
42,650	Transfers to Disaster Fund	539,800	539,800	100%
9,963	Transfer to Restricted Reserves	14,648	-	-
1,668	Capital	-	-	-
223,447		(171,487)	21,764	-788%
	SOURCE OF FUNDS			
0	Restricted Reserves Applied	1,687	0	
219,203	General Funds	(178,919)	16,319	-1096%
219,203		(177,232)	16,319	-1086%
	NON- FUNDED DEPRECIATION			
4,244	Depreciation to be funded at income statement level	5,745	5,445	106%
223,447		(171,487)	21,764	-788%

Comment:

Fees and recoveries mainly consist of the \$100,000 seed money for the NZ Local Government Funding Agency being returned.

Elections expenditure is over budget due to the Golden Bay by-election.

COUNCIL ENTERPRISES

Policy and Objective

The activities encompassed within Council Enterprises are operated with a commercial focus, based on providing a desired level of return to Council on the assets employed.

Nature and Scope

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

- a) **Property** – administration of all Council-owned properties and buildings. Assistance and advice on acquisition, development or disposal of Council's property assets.
- b) **Forestry** – the management and development of forests owned by Council, principally as a commercial undertaking but with associated recreational and environmental benefits. The forest resource currently totals around 2,800 planted hectares in seven locations, namely Rabbit Island (Moturoa), Motupiko (Borlase), Wai-iti (Tunnickliff), Richmond Hills (Kingsland), Howard Valley, Sherry River and Eves Valley.

Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our growing and sustainable economy provides opportunities for us all.
- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.

Jun-11 Actual \$	COUNCIL ENTERPRISES	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
1,468,368	Property	1,427,536	1,637,231	87%
878,738	Forestry	1,803,277	1,716,043	105%
2,347,106	TOTAL COSTS	3,230,813	3,353,274	96%

COUNCIL ENTERPRISES

PROPERTY

What We Do

This activity encompasses the provision of property related services to the Council. This includes:

- The provision of facilities for Council's properties (libraries and administration offices), their management, maintenance and development.
- The acquisition and disposal of property for Council purposes.
- The management, maintenance and development of Council's commercial property portfolio.
- The provision of property services to other activities of the Council including lease and rental services, property valuation services, property advisory services and the provision of a council property register.
- Property associated with infrastructural assets.

Why We Do It

The Council is the owner or custodian of a substantial property portfolio and has identified the need for quality property services and professional expertise within the Council to meet its on-going property requirements

Our Goal

We aim to provide quality and timely services for Council and Council facilities, which satisfy community needs and expectations.

How this activity contributes to the Community Outcomes

- We will support the development or sale of Council property where appropriate to provide business or employment opportunities.
- Our offices and Libraries and other public facilities will be accessible for persons with disabilities, and will provide a safe and welcoming environment.
- The activity can be managed so the impact of any property development upon the environment is minimised and any future developments have environment sustainability as an expectation.

Our Levels of Service

- Effective management of Council property services to enable other council activities to carry out their functions.
- Buildings and property services that comply with legislative and resource and building consent requirements.

How We Measure Progress

Other departments reasonable expectations of the property services are delivered as measured by a three yearly survey of selected customers. [Target: 70% of customers surveyed are fairly or very satisfied.]	An internal survey was completed in the June 2011 year. 10 criteria were surveyed over 58 people in all Council locations. An average of 65% of customers surveyed were fairly or very satisfied. The survey needs to be refined to provide more accurate results.
All buildings meet all legislative, resource consent and building consent requirements. [Target: 100% compliance.]	100% compliance.

COUNCIL ENTERPRISES

Major Activities

Facilities management and maintenance of Council properties and buildings.	Scheduled and unscheduled maintenance is performed as required. Facility management contracts are in place for security, cleaning and painting. All properties needing building warrants of fitness have them.
Maintenance of leases and management of Council properties.	All leases are reviewed monthly. Inspections are undertaken at least on an annual basis.
Property acquisition for asset management.	Property staff meet regularly with asset managers and staff from MWH New Zealand Ltd to update each other on their property acquisition requirements. Individual files are maintained for each project and a separate database is maintained showing progress with each project.
The development, sale or leasing of Tourism Services zoned land at Champion Road Richmond and land at Port Mapua.	The Champion Road, Richmond property has been put on the market. The Port Mapua proposal has been included in the Long Term Plan 2012-2022.
The proposal to sell the freehold of certain endowment lands.	Negotiations are proceeding on two properties at Redwood Valley. One property on Lansdowne Road has been sold.
Expansion or refurbishment of the Main Office at Richmond to provide for growth.	A contract has been let. Construction is scheduled to be completed by 31 January 2013. This project includes earthquake strengthening the old part of the existing Council office.

COUNCIL ENTERPRISES

Jun-11 Actual \$	Property	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
512,848	General Rates	718,740	712,891	101%
936,476	Fees and Recoveries	1,097,771	1,194,895	92%
29,437	Sundry Income	31,845	30,650	104%
1,478,760	TOTAL INCOME	1,848,356	1,938,436	95%
	OPERATING COSTS			
571,036	Operational Property	562,582	548,355	103%
595,973	Commercial Property	486,391	514,144	95%
163,813	Loan Interest	291,881	446,068	65%
137,546	Depreciation	86,682	128,664	67%
1,468,368	TOTAL OPERATING COST	1,427,536	1,637,231	87%
(10,393)	NET COST OF SERVICE (SURPLUS)	(420,820)	(301,205)	140%
	TOTAL FUNDS REQUIRED			
(10,393)	Net Cost of Service (Surplus)	(420,820)	(301,205)	140%
324,740	Capital	1,586,247	2,153,734	74%
155,267	Loan Principal Repaid	183,890	281,135	65%
469,614		1,349,317	2,133,664	63%
	SOURCE OF FUNDS			
447,992	Loans raised	1,531,224	2,005,000	76%
(115,924)	General Funds	(268,589)	-	-
332,068		1,262,635	2,005,000	63%
	NON- FUNDED DEPRECIATION			
137,546	Depreciation to be funded at income statement level	86,682	128,664	67%
469,614		1,349,317	2,133,664	63%

Comment:

Depreciation is down on budget due to the building extensions at Council's office in Queen Street, Richmond still being work in progress.

Loan interest is down on budget due to the timing of loans raised.

COUNCIL ENTERPRISES

FORESTRY

What We Do

This activity involves the management of approximately 2,800 stocked hectares of commercial plantation forest. The current preferred species for the forests is Radiata Pine. Council forests are currently managed under contract by P F Olsen and Company.

Why We Do It

- To provide a steady income to offset rates.
- To provide recreational opportunities where appropriate.

Our Goal

To provide a commercial forestry operation that will contribute towards the enhancement of Council's recreational assets and maximise net returns on a sustainable basis to provide a contribution to rates.

How this activity contributes to the Community Outcomes

- Our plantation forests assist in reducing the carbon footprint for Tasman District.
- We provide walkways and cycleways in our plantation forests where appropriate.
- Plantation forestry assists in providing green space and the retention of rural character.
- We provide business opportunities for planting and tending of forests, plantation management and the logging and sale of logs.
- We endeavour to supply the majority of product to local markets where financially appropriate.

Our Levels of Service

- We will responsibly manage liabilities for any carbon credits.
- We will endeavour to provide recreational access where it is appropriate and does not interfere with forestry operations.
- A product which is saleable on local and international markets.
- Our forestry operations will be managed on a commercial basis recognising any component of public good.

How We Measure Progress

We meet the requirements laid down by government. [Target: Will depend on the policies of the new government.]	Council has appointed P F Olsen Ltd in the interim to manage the Emissions Trading Scheme (ETS) on our behalf. ETS requirements are being met.
We develop and implement a policy on recreational access to our plantation forests. [Target: Reviewed as required.]	A policy on recreational access is in place but a more comprehensive policy is needed and is intended to be presented for adoption by November 2012.
Our projected annual harvesting targets are met within a tolerance of 15%.	Harvesting was centred at Rabbit Island (17,150 tonnes) and Borlase forests (8,592 tonnes). Total harvested volume was 25,742 tonnes. [Budgeted harvest: 24,353 tonnes]
A business plan for forestry has been approved and implemented by the Council. [Target: The plan will be reviewed as required.]	A business plan for forestry is scheduled for the near future.

Major Activities

Planting, tending and harvesting of exotic forests.	Harvesting was centred at Rabbit Island (17,150 tonnes) and Borlase forests (8,592 tonnes). Total harvested volume was 25,742 tonnes. [Budgeted harvest: 24,353 tonnes]
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COUNCIL ENTERPRISES

Jun-11 Actual \$	Forestry	Jun-12 Actual \$	Jun-12 Budget \$	% of Budget
	INCOME			
937,200	Revaluation Increment/(Decrement)	(210,777)	-	-
455,065	Fees and Recoveries	2,468,442	2,003,051	123%
1,392,265	TOTAL INCOME	2,257,665	2,003,051	113%
	OPERATING COSTS			
283,603	Rabbit Island	851,947	704,071	121%
123,379	Borlase Forest	576,181	589,548	98%
6,818	Tunnicliff Forest	8,605	21,778	40%
108,576	Eves Valley	14,636	5,786	253%
28,010	Howard Valley	33,374	50,886	66%
77,824	Sherry River	24,341	63,081	39%
53,655	Kingsland	51,231	60,229	85%
196,873	General	242,962	220,664	110%
878,738	TOTAL OPERATING COST	1,803,277	1,716,043	105%
(513,527)	NET COST OF SERVICE (SURPLUS)	(454,388)	(287,008)	158%
	TOTAL FUNDS REQUIRED			
(513,527)	Net Cost of Service (Surplus)	(454,388)	(287,008)	158%
145,000	Domain Entitlement	145,000	145,000	100%
276,211	Contribution to General Rates	450,000	450,000	100%
(92,316)		140,612	307,992	46%
	SOURCE OF FUNDS			
(92,316)	General Funds	140,612	307,992	46%
(92,316)		140,612	307,992	46%

Comment

Forestry income is higher than budget due to the actual volume cut exceeding the budget (by 1,389 tonnes) and higher log prices.

Harvesting costs are also higher than budget due to the actual volume cut exceeding budget.

APPENDIX ONE

Environment and Planning Department Applications Processed 1 July 2011 to 30 June 2012

1. Resource Management Act				
Type of Consent	Outcomes 2010/11		Outcomes 2011/12	
Land Use	444		529	
Subdivision	118		109	
Title Plans	103		75	
Completion Certificates	111		86	
Certificates of Compliance	4		6	
Water	221		124	
Discharge	115		161	
Coastal	15		13	
Resource Consent Transfers	65		70	
2. Building Act				
Type of Consent	2010/11		2011/12	
	No. Issued	Value	No. Issued	Value
Dwelling	339	77.4M	280	75.7M
Commercial	33	17.1M	96	26.2M
Other	1,155	30.5M	936	23.4M
1.1 Totals	1,527	\$125M	1,312	125.7M
3. Licences				
Type	2010/11		2011/12	
	No. of Certificates Issued		No. of Certificates Issued	
Food Premises	279		296	
Hairdressers	31		36	
Camp Grounds	19		32	
Hawkers/Mobile Shops	37		43	
Others	46		70	
Commercial Vessel Operators	36		36	
4. Sale of Liquor				
Type of Licence	2010/11		2011/12	
	No. of Licences Issued		No. of Licences Issued	
Manager's Certificate	285		284	
On and Off Licence	125		84	
Club Licence	13		7	
Special Licence	119		106	
Temporary Authority Order	21		49	
5. Other				
Type	2010/11		2011/12	
Land Information Memoranda	467		554	
Complaints Received	1,992		1,731	
Abatement Notices Issued	95		62	
Infringement Notices Issued	36		34	
Enforcement Orders	0		3	
Excessive Noise Direction	39		122	

**Committees and Responsibilities
For the year ended 30 June 2012**

COMMITTEES AND RESPONSIBILITIES

There are five standing Committees of Council, each having delegated powers to handle their affairs. All Councillors have membership on all committees, except the Tasman Regional Transport Committee. Mayor Kempthorne is an ex officio member of all committees, except the Tasman Regional Transport Committee. Committees normally meet six-weekly.

Engineering Services Committee

This Committee has responsibility for roads, bridges, water supply, sewerage treatment and disposal, solid waste collection/disposal and waste minimisation, coastal protection, stormwater collection and disposal, ports/wharves and boat ramps (excludes Port Taroakohe), aerodromes (excludes Motueka Airport), rivers and waterways, public transport.

This Committee is chaired by Cr T E Norriss.

Community Services Committee

This Committee has responsibility for recreation and development, parks and reserves, sports grounds, public halls, libraries, walkways, camping grounds, cemeteries, community and cultural facilities, property management, public conveniences, rural fire, grants, community housing and customer services.

This Committee is chaired by Cr J L Edgar.

Environment and Planning

This Committee has responsibility for resource management, policy, consents, environmental health, building control, sale of liquor, biosecurity, maritime safety, Council's response to climate change, animal control and compliance.

This Committee is chaired by Cr S G Bryant.

Corporate Services Committee

This Committee is responsible for providing financial and administrative services to the Council and other departments, including rate collection and financial management.

This Committee is chaired by Cr T B King.

Tasman Regional Transport Committee

This committee is responsible for preparing for Tasman District a regional land transport strategy, a regional land transport programme, and any advice and assistance Council may request in relation to its transport responsibilities.

This Committee is chaired by Cr T E Norriss, and its membership consists of four other councillors (Crs Sangster, Dowler, Edgar and Mirfin), an NZTA representative and five appointed members.

APPENDIX TWO

SUBCOMMITTEES

In addition to these standing committees, Council also has a number of special purpose subcommittees. These have delegated powers and only meet as required. Their function is to examine specific areas of Council operations and then make recommendations to their parent committee or full Council. The Mayor is ex-officio on all Subcommittees.

The current subcommittees are:

Communications

(reporting to Corporate Services) – Crs E J Wilkins (Chair), J L Edgar, M L Bouillir, Z S Mirfin.

Creative Communities

(reporting to Community Services) – Crs J L Edgar (Chair), E J Wilkins plus community representatives.

CEO Review

(reporting to Council) – Mayor R G Kempthorne (Chair), Crs B W Ensor, J L Edgar.

Audit

(reporting to Corporate Services) – Crs G A Glover (Chair), J L Inglis, C M Maling, P F Sangster, T E Norriss, T B King.

Grants and Community Facilities

(reporting to Community Services) – Crs E J Wilkins (Chair), S G Bryant, M L Bouillir, J L Edgar, T B King.

Community Awards

Crs J L Edgar, E J Wilkins.

Development Contributions

Crs S G Bryant, T E Norriss.

**Council Representatives
For the year ended 30 June 2012**

TASMAN DISTRICT COUNCIL REPRESENTATIVES & APPOINTMENTS

Joint Shareholders

Mayor R G Kempthorne, Crs T B King, G A Glover.

Nelson Airport Limited

Mr M J Higgins.

Port Nelson Limited

Council Director Cr T B King.

Nelson Regional Sewerage Business Unit

Cr G A Glover, and Mr M J Higgins.

Tasman Regional Sports Trust Board

Mayor R G Kempthorne.

Nelson Tasman Business Trust

Cr C M Maling.

Appointments Committee (Tasman Bays Heritage Trust)

Mayor R G Kempthorne, and Chief Executive.

Positive Ageing Forum

Cr J L Edgar.

Tasman Youth Council

Crs Z S Mirfin, and G A Glover.

Mayors Taskforce for Jobs – Nelson Tasman Connections Steering Group

Mayor R G Kempthorne.

Saxton Field Working Group

Crs J L Edgar, B W Ensor, and C M Maling.

Friendly Towns

Cr E J Wilkins.

Golden Bay Patriotic Welfare Committee

Cr P F Sangster

Nelson-Tasman Cycle Trust Working Group

Cr C M Maling

Civil Defence/Emergency Management

Mayor R G Kempthorne, and Cr T B King.

Waste Management Working Party

Crs J L Edgar, S G Bryant, and B F Dowler.

Local Government New Zealand (LGNZ) Regional Sector Group

Mayor R G Kempthorne, Chief Executive.

APPENDIX TWO

LGNZ Zone 5 (top-half of South Island)

Mayor R G Kempthorne, Chief Executive.

LGNZ Rural and Provincial Sector

Cr T B King, Strategic Development Manager

Maori Liaison/Ethnic Affairs

Mayor R G Kempthorne.

Patriotic Council

Cr J L Inglis.

TB Free/Animal Health Board

Cr T E Norriss.

Talking Heads

Mayor R G Kempthorne, Chief Executive.

Tenders

Crs S G Bryant, J L Edgar, T E Norriss, Chief Executive.

Accessibility for All

Cr J L Edgar.

Native Tasman Habitats

Cr B W Ensor.

Regional Funding Forum

Crs T B King, and J L Edgar.

Rugby World Cup

Cr J L Inglis.

Tasman Environmental Trust

Cr B W Ensor.

Economic Development Agency

Mayor R G Kempthorne, and Cr T E Norriss.

APPENDIX THREE

Community Boards are separately elected advisory bodies and are not Council Committees. Their main role is to represent, and act as an advocate for, the interests of its community.

There are two Community Boards in the Tasman District, namely the Golden Bay Community Board serving the Golden Bay Ward and the Motueka Community Board serving the Motueka Ward.

Membership of the Golden Bay Community Board:



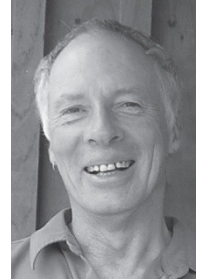
Carolyn McLellan (Chair)



Leigh Gamby (Deputy Chair)



Karen Brookes



Mik Symmons



Cr Noel Riley
(Resigned July 2011)



Cr Martine Bouillir



Cr Paul Sangster
(Elected October 2011)

Membership of the Motueka Community Board:



David Ogilvie (Chair)



Paul Hawkes (Deputy Chair)



Mark Chapman



Cliff Satherley



Cr Eileen Wilkins



Cr Jack Inglis



Cr Barry Dowler

APPENDIX FOUR

Management Staff

Chief Executive Officer

L McKenzie

Environment and Planning Manager

D C Bush-King

Corporate Services Manager

M W Staite

Engineering Services Manager

P W Thomson

Community Services Manager

L L Kennedy

Strategic Development Manager

S E Edwards

Bankers

ASB Bank Ltd
Queen Street, Richmond

Solicitors

Fletcher Vautier Moore
2 Cambridge Street, Richmond

Auditors

Audit New Zealand, on behalf of the Office of the Auditor-General

Employment Policy Statement

Equal Employment Opportunities

Charter

In accordance with Schedule 7, Part 1, Clause 36 of the Local Government Act 2002, the Tasman District Council has a policy of Equal Employment Opportunity for all workers and regards the identification and elimination of any discrimination and the provision of equal opportunities as essential principles in the management of its staff resources.

The Council affirms this commitment through a policy of positive action by adopting constructive policies and practices for equal opportunities in all aspects of employment, including recruitment and selection, training and development, education, career path planning and promotions. The objective of this policy is to ensure that for any given position, the best available person gets the job.

Application

This Charter shall apply equally to all employees of the Tasman District Council. No employee, or potential employee, shall be discriminated against by reason of their race, colour, national or ethnic origin, union membership, age, sex, marital status, religious or political beliefs, physical disability where these are not related to the person's ability to carry out the job.

Executive Responsibility

It is the responsibility of the Chief Executive, through each manager and supervisor, to promote this policy. All employees are invited to contribute suggestions for ongoing action under this programme.

The various elements in this policy, while compiled to meet the requirements of the Local Government Act 2002, are all to be consistent with:

- Good personnel policy and practices
- Human Rights Act 1993
- Other legislation concerning employment
- Race Relations Act 1971
- Privacy Act 1993
- Health and Safety Act 1992
- Employment Relations Act 2000

During this financial year, Council encouraged staff to attend a series of training courses, both in-house and externally, with the specific intention of providing work place situations, and enhancing staff knowledge for the benefit of Council's customers.

Maori participation in Decision-Making Processes

As required by Schedule 10, Part 3, Clause 21 of the Local Government Act 2002 Council reports on the process undertaken to provide Maori with opportunities to contribute to decision-making in the Council. Council recognises its obligations to Maori under various enactments, and has in place mechanisms to provide for Maori input into decision-making.

Council acknowledges Manawhenua (Iwi), meaning specifically those people claiming customary and ancestral ties to this land in Tasman District. They are:

Ngati Rarua
Te Ati Awa
Ngati Koata
Ngati Kuia
Ngati Apa
Ngati Tama
Kati Waewae, Te Koti
Ngati Toa

Council attends regular liaison meetings with Maori groups in the community, including attendance at the Tiakina Te Taiao and Manawhenua ki Mohua meetings. This and other meeting attendances enable service delivery issues and other matters of concern to be identified and fed back into the organisation to be considered and addressed at the appropriate level.

Council also has a formal arrangement with iwi in regard to the review of resource management consent applications and actively works with the various iwi concerned in regard to planning issues.

In order to support its work, Council has within its workforce, policy and liaison expertise to enable it to respond to issues raised by the Maori community.

Council continues to liaise with iwi in regard to enhancing relationships and involvement in appropriate issues.

Statement on Fostering Maori Participation in Council Decision-Making

Purpose

This statement outlines the steps Council intends to take to foster Maori capacity to contribute to Council decision-making processes over the period of this LTCCP, as required by Schedule 10(5) of the Local Government Act 2002.

Background

For some time, Council has been increasingly aware of the importance of furthering a close working relationship between the District's Maori community and itself. The Council recognises the wealth of special values that the tangata whenua hold for the places, the resources, the history and the long-term sustainability of the District. Council further recognises that its activities and services impinge daily on these values and that in order to make appropriate decisions, Council must account for the values of Maori as a special set of community values. Council consult and engage with Maori on a regular basis. In certain cases, these are ongoing processes required by legislation such as the Resource Management Act 1991. Other cases are a way of recognising the spirit of partnership inherent in the Treaty of Waitangi.

Steps Council is taking to foster Maori participation in Council decision-making

The Local Government Act 2002 places a number of obligations and responsibilities on Council in regard to Maori. These include the need to establish and maintain processes to:

- Provide opportunities for Maori to contribute to the decision-making processes of Council.
- Consider ways in which we may foster the development of Maori capacity to contribute to the decision-making processes of Council.
- Provide relevant information to Maori for the above purposes. There are a number of methods being put forward by Maori and local authorities around New Zealand to improve their relationships. The methods set out below are not exhaustive, but represent some of the steps

APPENDIX SIX

that could be considered following meetings with each iwi and Maori, to improve our relationship:

- a) Committing to regular hui/liaison meetings with iwi and Maori to develop the relationship further and to discuss specific and general issues of relevance to both parties.
- b) Through the hui in a) above, working with iwi/Maori to identify how to gain input into issues of relevance to iwi and Maori, including the opportunity to be involved in relevant working groups.
- c) Providing assistance to iwi to prepare an Iwi Management Plan.
- d) Appointing a Councillor as a Maori/iwi portfolio holder.
- e) In conjunction with iwi, continue providing some future structured training/familiarisation courses to improve Councillors' and staff understanding of iwi perspectives.
- f) Consulting with iwi on the formation of the Long term Council Community Plan, the Annual Plan and on relevant changes to the Tasman Resource Management Plan.