

*Draft for Adoption*

TASMAN DISTRICT COUNCIL  
**ANNUAL REPORT**  
2018

*making the right choices for Tasman's future*



**DRAFT ANNUAL REPORT 2017/2018**  
**VERSION 1.3**

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# MEMBERSHIP OF COUNCIL

*Tasman Mayor*



*Mayor  
Richard Kempthorne  
Lakes/Murchison Ward*

*Motueka Ward*



*Cr Peter Canton*



*Cr Paul Hawkes*



*Cr David Ogilvie*



*Cr Stuart Bryant  
Moutere/Waimea Ward*



*Cr Sue Brown*



*Cr Paul Sangster*



*Cr Tim King  
Richmond Ward*



*Cr Dean McNamara*



*Cr Anne Turley*



*Cr Mark Greening*



*Cr Kit Maling*



*Cr Trevor Tuffnell*



*Cr Dana Wensley*

## MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE OFFICER



subsequent version

To be added in a

# HOW WE'RE TRACKING ON THE KEY ISSUES

## 1. ADDRESSING RATES AFFORDABILITY

Our rates income rose by 0.63% after an allowance for growth in 2017/2018. This is below our Financial Strategy cap of 3% in the LTP 2015-2025.

This 3% increase in rates income per annum cap has been continued in the LTP 2018-2028 and we are forecasting a 2.3% rates income rise in 2018/2019.

We anticipate collecting \$37.2million in general rates and \$33.1 million in targeted rates in 2018/2019, which is within the LTP 2018-2028 caps of \$65 million for general rates and \$60 million for targeted rates.

## 2. MANAGING COUNCIL'S DEBT

Our net external debt cap in our current Financial Strategy is \$200 million with our net external debt sitting somewhat below that cap at \$141 million at the end of 2017/2018. This level of debt at the end of the year is \$16 million below the \$159 million level forecast in the 2017/2018 Annual Plan.

Debt has been reduced by direct savings from operational budgets which have been used to repay debt. Also favourable interest and borrowing conditions, a lower opening debt position than budgeted, delays to some large capital works, higher than anticipated income due to things like higher population growth than forecast, and greater forestry income than planned. We've also received increased dividends which have been used to pay down debt. This was offset by costs associated with ex cyclone Gita and Fehi which had a net cost to council of up to \$3.9m after NZ Transport Agency's (NZTA) contribution.

As part of meeting our financial goals, we are progressively funding depreciation on assets from cash flow.

## 3. DEVELOPING RESILIENT COMMUNITIES

### PART A: PROVIDING A SECURE WATER SUPPLY

In both the Long Term Plans for 2015-2025 and for 2018-2028, the Waimea Community Dam was Council's preferred solution for supplying potable water to the Richmond, Brightwater, Wakefield, Mapua and Redwood Valley, and augmenting the flow of water in the Waimea River and underground aquifers. Augmenting river flows is necessary to increase the low flow in summer and increase the rate of aquifer recharge. The Waimea Community Dam will benefit the river and surrounding environment, as well as households and businesses on the Waimea Plains.

In 2017/2018, we continued to focus on finding an acceptable funding and governance solution for the Dam. This involved public consultation on a proposed funding approach for Council's share of the Dam project costs in late 2017, and then developing this through to its final form in early 2018 for inclusion in the LTP 2018-2028.

Several workstreams have been progressing in tandem, however progress has been slower than anticipated and the project funding requirements have increased significantly.

A funding package has been negotiated with our Joint Venture partners – Waimea Irrigators Limited (WIL) and, Crown Irrigation Investments Ltd (CIIL). An agreement was entered into with WIL to fund (50/50) the procurement of a contractor to construct the Dam and complete its design. The early contractor engagement was completed in July 2018, with the final price for the construction and other project costs significantly higher than anticipated. This created a major challenge for the project with an additional \$23m in capital funding being required. On 6 September 2018, a new funding arrangement was agreed to by Council, which means the Dam will proceed, with final sign-off of funding and legal agreements by all Joint Venture partners (Council, WIL and CIIL) and establishment of a Council-controlled organisation (CCO) proposed for the end of November 2018. The new funding proposal sees the risk of Council's credit support for a loan to irrigators through the Council-Controlled Organisation significantly reduced, and irrigators effectively contributing 75% of the servicing costs for the \$23 million price increase.

Due to the delay in finalising the Waimea Community Dam project and its funding, an amendment to the Tasman Resource Management Plan (TRMP) is underway to extend the timeframe for when a no-dam scenario is triggered.

Negotiations have progressed to obtain land for the Dam and access to the construction site. The original approach to obtaining access to the 9 hectares of Department of Conservation (DOC) land is not now considered appropriate by the

Department. Instead access is to be achieved through a Local Bill which was introduced to Parliament in August 2018. Separate talks to obtain an agreement to store water on Ngati Koata land are ongoing with good progress being made.

#### **PART B: HAZARD PLANNING AND PROVISIONS TO RECOVER FROM DISASTER EVENTS**

The District was hit hard by ex-cyclones Fehi and Gita in February 2018. An immense amount of effort and resources were put into the immediate response to these storm events and the ongoing recovery from them. Staff and contractors were diverted from their normal work to address these issues, and available operating budgets in the 2017/2018 year were used to fund the unplanned work. It was also necessary to use our emergency funds, which are collected for these types of events.

Following the storm events, Council identified the need to further consider its approach to plantation forest management and river and stormwater management. It will also consider the opportunities it has to improve community resilience including the way Council invests in assets on and near the coast, manages its community facilities, and uses its financial, policy and regulatory tools to incentivise behaviour.

As we renew our infrastructure and invest in assets, our aim is to improve our capacity and resilience to withstand natural hazard events. As an example, the upgrade of Queen Street in Richmond, which was completed during the year, is designed to improve flood water management during heavy rain in central Richmond to avoid the inundation of shops. Parts of the new infrastructure have been tested in recent storm events and it has worked well.

In Murchison we have agreed to purchase land adjacent to Ned's Creek so that we can remedy the stormwater issues that have caused flooding to several properties in this area.

Planning for future hazard events has been top of mind in our work to draft the Nelson Tasman Land Development Manual. It is proposed that the Manual will replace engineering design standards of both Nelson City and Tasman District Council's and is intended to provide consistent minimum standards and guidance for development across the region. In particular the Manual allows the use of low pressure wastewater systems in new subdivisions which have smaller and more flexible pipes than other stormwater systems making them more resilient. The standards also require a minimum ground and floor level in areas prone to coastal flooding reducing the risk of flooding and will help to protect the pathways taken by stormwater runoff (when the primary stormwater infrastructure capacity is exceeded). The standards will require new roads to be designed as stormwater flow paths for water up to 300 mm in depth. We intend to consult on the Manual and finalise it in 2018/2019. It is proposed that the mandatory standards within the LDM will have legal effect - as if they are part of the Tasman Resource Management Plan.

We have made progress with our catchment management planning during the year. A catchment management strategy has been developed to provide overall direction to the catchment management programme. We have also made significant progress with the Richmond catchment management plan and anticipate consulting on this before the end of 2018. In addition work has commenced on the Motueka catchment management plan and this will continue in to 2018/2019.

Natural hazards and resilience have also been a focus for some of our resource management planning. Plan Change 66 Richmond Housing Choice introduced new specific provisions to protect secondary flood flow paths from intensive development in central Richmond during the year. We engaged with land owners on a proposed update to the Tasman Resource Management Plan (TRMP) Fault Rupture Risk Areas so that we are using the latest information. This will lead to a change to the TRMP in 2018/2019. We have also been continuing work on sediment and erosion control guidelines – with particular attention on the erosion-prone Separation Point granites. These guidelines will be published in 2018/2019.

The National Environmental Standard, Plantation Forestry came into effect in May 2018 and provides a suite of rules that control forestry activities. We have provided for \$100,000 of additional funds in the LTP 2018-2028 for increased monitoring and compliance of these rules. We anticipate that half the cost will be recovered through consent monitoring fees.

Looking forward we are intending to develop a resilience strategy over the next two years and have provided funding in the LTP 2018-2028 to undertake a flood mitigation study for Motueka and Riwaka. Once the mitigation study is completed, Council will be in a stronger position to consider and plan capital budgets for the required flood mitigation works in the LTP 2021-2031.



## 4. RESPONDING TO POPULATION GROWTH

### PART A: PROVIDING SUFFICIENT LAND AND SERVICES

Statistics NZ estimated Tasman District had a usually resident population of 51,200, as at 30 June 2017. The latest projections from Statistics NZ, released in February 2017, projected our population would reach 51,300 by 30 June 2018 under a 'medium growth' scenario, or 52,400 under a 'high growth' scenario.

Building consents for dwellings rose by 21% in 2015/2016, 3% in 2016/2017, and have increased a further 7% in 2017/2018 to reach their highest level since 2004. During 2017/2018, we issued building consents for 406 new dwellings. This level of growth impacts how we provide services, where they are provided and how we plan for the future. A review of Council's Growth Strategy has been carried out to inform the LTP 2018-2028.

We have had a busy programme of plan changes to the Tasman Resource Management Plan to provide for and manage future growth. We completed zone plan changes in Wakefield and Brightwater to enable future growth to be accommodated, and a further zoning plan change in Brightwater is being considered. We made changes to our planning rules to encourage medium density housing in central Richmond, which allows greater housing choice and encourages more efficient use of land and infrastructure. We also completed changes to our rural land use and subdivision policy to increase the flexibility of use of rural land to better cater for co-operative and modern family living arrangements. Residential zoning of land in Mapua and Industrial zoning of land in Richmond West were both activated, having previously been deferred until infrastructure was in place.

In August 2017, the Government gazetted eight new Special Housing Areas (SHAs) in Tasman that have the capacity to deliver in excess of 1200 new houses over the next five to eight years. New requests for SHAs continue to come in. On 22 March 2018, we made changes to the lead policy under the Tasman Housing Accord. The changes are designed to encourage more affordable housing and clear language process for community consultation.

In 2017/2018 we spent approximately \$2.9 million on new assets to support Tasman's population growth. This work included the addition of a new water tank at the Richmond Water Treatment Plant (in partnership with developers in the area), commencing work on new water mains in Richmond South and West and widening Bateup Road. Looking to 2018/2019 major projects to facilitate growth will include further water, wastewater and stormwater projects in Richmond South and West. Also the water and wastewater upgrades that will take place in Mapua are to provide for growth in that area as well as improving the reliability of service.

### PART B: DEVELOPMENT CONTRIBUTIONS POLICY CHANGES

Development and Financial Contributions are mechanisms by which those developing properties and who directly benefit, pay for the growth related costs of the new infrastructure Council provides to support that growth. In the LTP 2015-2025 Council amended its Development Contributions Policy to incorporate legislative changes.

Concurrently with the LTP 2018-2028 we consulted on further changes to our Development and Financial Contributions Policy. We have moved to a new three catchment system for charging development contributions for wastewater, stormwater and water service but have retained a single, District-wide catchment for transport development contributions. We are also introducing lower development contributions charges for small homes, better reflecting the lower demands smaller houses place on our infrastructure.

During 2017/2018 we received \$6.1m in total from development contributions and \$2.3m in reserve financial contributions.

## 5. MAXIMISING REGIONAL OPPORTUNITIES

Council is seeking to maximise regional opportunities and benefits from its investments to ensure efficient delivery of services through collaboration with Nelson City Council.

In 2017/2018 we continued the process of aligning our landfill operations with Nelson City Council through the Nelson Tasman Regional Landfill Business Unit which is governed by a joint committee from the two councils. The joint business unit has been consolidating its contracts across the two Districts, and undertaking strategic and business planning. We also worked with Nelson City Council on reviewing the joint Waste Management and Minimisation Plan with consultation planned to take place in August 2018.

Together with Nelson City Council we jointly develop, manage and promote Saxton Field. In 2017/2018 the cycle velodrome was completed with an official opening on 13 February 2018. A programme of future asset improvements and renewals was agreed by the two Councils with the necessary funding planned in their respective LTPs. Amongst other

projects resurfacing the athletics track will take place in 2018/2019, cycle path development is planned between 2018/2019 and 2023/2024, and lighting and shade shelter for the velodrome is planned in 2022/2023.

We have been working with Nelson City Council to develop a joint set of standards for development in the two regions. This has resulted in the production of a draft Nelson-Tasman Land Development Manual as described above on page 6.

The work we previously carried out with Nelson City Council and Marlborough District Council in developing a Digital Enablement Plan was a significant contributing factor in the Government allocating funding to rollout ultrafast broadband to Takaka, Kaiteriteri, Motueka, Ruby Bay, Brightwater, Wakefield and Murchison. The target date for completion of this work has been brought forward to 2022. For rural broadband expansion and mobile blackspot coverage, we are working with the Rural Connectivity Group to provide broadband to tourism hotspots and rural areas within the District. We will assist with consenting processes, road corridor access, access to Council land and communications with the public.

We remain committed to developing a strategic relationship framework with all iwi in Te Tau Ihu. Over the past year engagement with iwi has been initiated or undertaken for various environmental policy projects, including the Nelson-Tasman Land Development Manual and Erosion and Sediment Control Guidelines; Golden Bay Landscapes project; Richmond Housing Choice Plan Change, omnibus plan change and growth planning. We have also initiated an iwi policy working group as a forum for Council to work with iwi on environmental policy matters, which is expected to be used for the Regional Policy Statement and Plan reviews coming up. We will be looking to increase our internal capability over the coming year.

The National Policy Statement on Urban Development Capacity (NPS) requires us to ensure sufficient development capacity to meet housing and business demand. Publication of quarterly monitoring reports (compiled jointly with Nelson City Council) began in December 2017. A project to develop a combined Future Development Strategy with Nelson City has commenced with joint Councillor workshops. By December 2018, we will complete an assessment of Richmond's residential and business land capacity and demand.

Council's future funding contributions to 'out of Tasman District' activities such as the Suter Art Gallery, Tasman Bay Heritage Trust (Nelson Provincial Museum) and the Nelson Regional Development Agency were reconsidered as part of developing the LTP 2018-2028 to ensure that the benefits to Tasman residents are generally proportional to the level of funding.

# PART 1

## OVERVIEW

## 2017/2018: A YEAR IN REVIEW:

### EX-CYCLONES FEHI AND GITA HIT THE DISTRICT

On 1 February 2018, the Nelson-Tasman Region felt the remnants of ex-cyclone Fehi. A combination of the weather and tidal conditions resulted in areas in Ruby Bay and Mapua being heavily impacted, with residential and commercial properties rendered unfit for use by severe flood damage and/or contamination. Our coastal reserves in Tasman also suffered severe damage during the event.

On 20 February 2018, the remnants of ex-cyclone Gita brought exceptionally heavy rainfall causing damage and flooding in Marahau, Brooklyn Valley, Takaka Hill, and along the Motueka West Bank. Due to the widespread and significant impacts of this event, a Civil Defence Emergency was declared, followed by a Civil Defence Transition Period for 28 days.

The Welfare Team coordinated Civil Defence Centres in Collingwood and Mapua for ex-cyclone Fehi, and in Collingwood, Takaka, Motueka and Nelson for ex-cyclone Gita. Takaka and Motueka had over 100 people register at each centre, with Motueka closer to 200 people. Between the two events, 550 welfare visits were carried out to affected residents. Tasman District and Nelson City Council staff along with external volunteers were assigned to identified residents to provide support and a 24-hour contact point. They also provided advice about agencies that can assist those in need, e.g. Ministry of Social Development, Nelson-Marlborough District Health Board, and Inland Revenue Department.

A significant number of private properties were adversely affected in some way by both storm events, with many affected by deep silt deposits and vegetation debris. Council's focus was on restoring the essential public infrastructure, however, where possible we helped residential property owners by removing and disposing of silt and collected roadside debris. Enhanced Taskforce Green workers spent 20 weeks helping clear the damage to orchard and farm properties along the Motueka Valley, in Riwaka and Marahau. Mayor Richard Kempthorne presented awards to 12 workers to recognise their effort and achievement in this big clean-up effort.

#### GITA IMPACTS ROADS AND TASMAN'S GREAT TASTE TRAIL

In addition to the damage to State Highway 60 over Takaka Hill, many local roads were affected by ex-cyclone Gita. Council contractors removed silt and forestry debris from Riwaka Valley and Brooklyn Valley Roads that was piled eight metres high on the road surface. The Riwaka-Sandy Bay Road required extensive work to clear and was closed for five weeks while repairs were made. In Golden Bay damaged bridges at Carter Road and Cobb Road were repaired following the storm and in June Council approved the construction of a new two span bridge at Carter Road at an estimated cost of \$350,000.

Work to clear blocked culverts and reinstate roads and bridges across the District were largely completed by the end of June 2018. The permanent reinstatement of retaining walls and culvert replacement is programmed to continue into the 2018/2019 year.

A large area of the coastal section of Tasman's Great Taste cycle trail from Fittal Street to Sandeman Reserve in Richmond was washed away. The trail has been reinstated with a plastic grid product being trialled on the board walks to increase resilience. Work is ongoing to realign sections of the cycle trail away from the estuary edge.

#### COASTAL DEFENCES AND RESERVES DAMAGED BY FEHI

The Ruby Bay sea walls were over topped during the ex-cyclone Fehi event with most damage sustained along the section between Tait Street and Chaytor Reserve. Many houses were damaged along the Ruby Coast and also some were impacted in Mapua. This section of revetment has been repaired using approximately 600 tonnes of additional rock, with some repairs also made to the revetment from Chaytor Reserve through to the Talley's wall. It should be noted that the wall along Broadsea Avenue is to prevent erosion and not inundation.

Ex-cyclone Fehi had major impacts on Council's reserves and facilities, with 15 reserves damaged in Tasman Bay and a further seven in Golden Bay. The popular Council-owned McKee Memorial Recreation Reserve campground at Ruby Bay was severely impacted with flooding and further damage to its sewerage system. We have been investigating the best way to deal with ongoing stormwater and sewerage challenges in this low-lying site.

Sections of the beachfront road at Moturoa/Rabbit Island and all 14 beach accessways were washed away in the storm. The area sustained significant erosion along the beachfront, blocking access into the reserve. Seawater inundation inland into the forestry areas on Rough Island caused large areas of trees to die through salt exposure. We have removed some of the most dangerous trees and will continue this work programme over the next year. A range of other work has been undertaken to recover from this event, including changes to the road layout, sand push-ups to restore dunes, planting, and rebuilding beach accessways.

Salt water and debris inundated approximately 70 percent of Kina Beach Camp Reserve, causing salt water contamination of the water supply and the toilet containment chamber. An enormous effort has gone into cleaning up and repairing this reserve and others affected over the last few months. We expect to continue this effort well into the 2018/2019 year.

The coastal edges of many of Golden Bay's beaches suffered erosion and damage from the combined storm surge and high tide. Most of the beach access ways were destroyed and coastal edges eroded. We have replaced some beach access ways, but still need expert advice on a way forward with a number of these areas.

#### **WATER SUPPLIES AFFECTED**

The Dovedale water supply scheme was severely impacted by ex-cyclone Gita. A large boulder damaged the upper intake and high flows scoured out pipework, damaging the access track, and the intake was out of commission for six days. In addition, the temporary Dove River crossing was severely damaged by large floating trees. The service was restored within a few days, and the temporary crossing has been re-established one metre higher than before.

#### **STORMS RESULT IN WASTEWATER OVERFLOWS**

A number of wastewater pump stations were inundated by tidal surges during ex-cyclone Fehi. Several however continued to operate throughout this time despite being underwater. The power supply box was burned out at the Little Kaiteriteri pump station and the Beach Road pump station (which pumps wastewater from Waimea to the Bells Island treatment plant) was flooded and shut down leading to raw sewerage discharges into the Beach Road drain. The only wastewater pumping station damaged was at the Mapua Leisure Park. Renewal work was about to commence on this pump station. A further storm event on 11 February 2018 also caused multiple wastewater overflows, and during the ex-cyclone Gita event there were overflows in Motueka and Pohara.

#### **DISRUPTION OF SOLID WASTE COLLECTION**

The closure of the Takaka Hill road following ex-cyclone Gita disrupted the normal flow of waste and recycling from Golden Bay. Our contractor and the community were able to store the waste with our contractor working six days a week and public holidays to catch up with the backlog. Some collection routes were also temporarily adjusted to assist this process.

#### **HARDSHIP GRANTS OFFER ASSISTANCE TO EX-CYCLONE-HIT FAMILIES AND BUSINESSES**

Council allocated \$132,000 to those experiencing hardship following the February storm events. The funds are provided by the Ministry of Civil Defence, Ministry of Business, Innovation and Employment, the Tasman Mayoral Relief Fund, and donations from community members and organisations.

The forty applications received were assessed against the criteria by independent advisors from Nelson Regional Development Agency, Nelson Building Society, Golden Bay and Nelson-Tasman Chambers of Commerce, with a panel of Councillors approving the grants. All applicants received funding, but as the amount available was limited and the needs of the community widespread, a maximum cap of \$5,000 was applied on the grants.

#### **COUNTING THE COST**

The response and subsequent recovery efforts have required significant Council staff time and resources over several months. We have estimated the total cost to repair and replace damaged Council infrastructure will exceed \$10 million. Council has received \$6.5m from the New Zealand Transport Agency (NZTA) as a contribution towards the recovery of the roading network. Dealing with the immediate and ongoing needs of our communities and infrastructure affected by these events has taken priority over less urgent work. This has directly affected the completion of our work programme and our achievement of performance targets in this Annual Report.

#### **LOOKING FORWARD**

Following the two storm events, Council will be considering its approach to plantation forestry, river and stormwater management. It will also consider opportunities to improve community resilience, including the way Council invests in assets on and near the coast, how community facilities are managed, and how it uses financial, policy and regulatory tools to incentivise behaviour. Council plans to take a comprehensive look at natural hazards and how we can plan for and manage these risks in the future. Experience from other councils indicates that to be successful in our planning, our communities need to be at the centre of these discussions.

Since the storms the National Environmental Policy for Plantation Forestry has come into effect and we have increased the budget for maintaining the associated standards in the Long-Term Plan 2018-2028. We are also reconsidering our priorities for work on the Tasman Resource Management Plan to give greater focus on natural hazards.

Two workshops have been held with councillors on coastal hazards and work has commenced on a coastal inundation project. Phase one of the project will include mapping coastal inundation (including sea level rise) across the District. Engagement with communities on the mapped information is planned for March/April 2019 to identify which locations the

community values may be affected by inundation (e.g. land, buildings, and community assets). A second phase of work will include the consideration of options about how to respond to inundation risk, for example: the management of land use, protection of private and public land/assets, and longer term options.

## GETTING AROUND TASMAN

### PLANNING THE FUTURE OF TRANSPORT IN OUR REGION

Along with Nelson City and Marlborough District Councils we have been considering the Top of the South's transport needs and priorities by reviewing the Regional Land Transport Plan (RLTP). This Plan plays an important role in the way Government funding is allocated to transportation projects. The new Government has increased the priority on transport safety and access to economic and social opportunities, with less concentration on the efficiency of transport systems. Fortunately in Tasman we are already giving priority to making our transport systems safer for all users and providing for a range of transport choices. The Plan increases the priority on improving safety on State Highway 60 between Richmond and Mapua where there has been an increasing number of serious accidents in recent years. Addressing congestion along State Highway 60 in Motueka remains important for our District and we are actively advocating for this issue to receive greater attention.

### THINKING ABOUT PARKING IN RICHMOND AND MOTUEKA

We have been reviewing the parking strategy for Richmond and Motueka. The growing use of electric cars and emerging driverless vehicle technology is likely to transform the way we move about. However just what that future looks like and its implications for parking are not yet clear. In addition parking shouldn't be concentrated merely on motor vehicles with bike and mobility scooter parking also important and requiring some consideration. As a result the parking strategy has its initial focus on making better use of existing resources and encouraging greater use of alternative transport modes. Considering parking provision as an integrated part of other projects, is also identified as an appropriate response to meeting parking needs. The new parking strategy was adopted by Council in August 2018.

### IMPROVING BUS SERVICES AROUND IN TASMAN

A study on a Richmond loop bus service to connect with the existing Richmond-Nelson Service demonstrated that this service was feasible. This conclusion was confirmed through a subsequent business case and as a result a four year trial of the new service will commence in 2018/2019.

We also considered the feasibility of express, commuter bus services between Motueka and Wakefield to Richmond. The studies found that neither of these services are feasible primarily because of the low expected patronage. To be feasible, the services would have to have patronage rates that significantly exceed those achieved for existing services within Nelson or in similar communities in New Zealand. We are planning to carry out a further district-wide assessment of public transport services in 2019/2020 and have provided budgets for this work in the 2018-2028 Long Term Plan.

### IMPROVING WALKING AND CYCLING FACILITIES

Government funding of \$2.4 million was announced for the completion of Tasman's Great Taste Trail. This will be matched by Council funding to complete the full loop. We have been consulting on the route between Wakefield and Wai-iti and we hope to begin work on this later in 2018. We aim to extend the trail to Tapawera in 2019.

During the past year we have made significant improvements to the footpaths in Mapua, specifically on Higgs Road, Mapua Road and Seaton Valley Road.

Through the decisions in the LTP 2018-2028 we have increased the budgets for footpaths and pedestrian facilities, have planned town centre upgrades (that will include improvements in these facilities) and plan to develop a shared walking and cycling pathway between Pohara and Takaka. We are also planning to provide an underpass at the roundabout at the Champion Road/Salisbury Road junction as part of a redevelopment of the roundabout in 2019/2020. These investments are important steps in helping ensure that the benefits from active transport in the form of improved health and well-being and reduced pollution are realised. In 2018/2019 we intend to review Council's walking and cycling strategy to ensure that we focus our future investment where it can have most impact and align with new Government transport priorities.

### CONTRIBUTING TO ROAD SAFETY

Working with the New Zealand Transport Agency, Nelson City and Marlborough District Council, and a number of other partners we run programmes to increase the safety of road users. During 2017/2018 the Ride On (cycle safety) team was part of the annual Clued Up Kids programme. This was run for a week in October involving 17 different organisations, clubs and businesses with 650 year 5/6 students participating in eight different scenarios, one of which was cycle training.

The Ride to Live website was completely updated in September 2017 to improve its reach and effectiveness. The website encourages motorcyclists and scooter riders to undertake training courses to assist them to learn essential road skills that

can keep them alive when out riding. In Tasman, Nelson and Marlborough there were 308 injury crashes involving a motorcyclist or moped rider between 2012 and 2017. Of these 14 involved a fatal injury and 90 involved a serious injury. Through the website motorcyclists can receive subsidised training from a New Zealand Transport Agency approved instructor with 475 training vouchers issued across the top of the South over the last year and 322 riders taking up training opportunities in the Nelson/Tasman area. This is a significant increase from previous years.

Approximately 1500 people from across the top of the south, and further afield, attended Shiny Side Up in February 2018. The event, was a 'big day out' for motorcycle riders with the aim that people leaving the event were better riders than when they arrived. Over 100 riders signed up for training during the event.

The 'See Me' road safety campaign reminds drivers to look out for motorcyclists and lets them know a bit more about the person under the helmet. During the campaign billboards were put up at 40 different locations across the Top of the South from September to December. There was also radio and digital promotion, articles in Council newsletters, regular website and Facebook posts, and emails to riders. There was great feedback from local riders and "other vehicle" drivers.

We have been running the school safety programme of improvements outside 22 schools since early 2016. All schools with frontages on local roads were assessed and then a programme developed to improve safety outside schools. This has involved the installation of some 40km/hour flashing school signs, some over-size static "40 when children present" signs and the installation of additional smaller static warning signs and the replacement of some existing warning signs. The last improvements, for a cluster of schools on or near Salisbury Road, were installed in June.

## MANAGING TASMAN'S THREE WATERS

### PROGRESS TOWARDS PROVIDING WATER SECURITY FOR WAIMEA

In the first half of the year Council reviewed the options to provide a secure source of potable water and concluded that the Waimea Community Dam is the best solution for meeting the community's need for good quality local water infrastructure. This project will also augment the flow of water in the Waimea River.

A massive amount of work and significant steps forward were made in securing a source of potable water for the Waimea area through the Waimea Community Dam. During the year significant progress was made in securing the necessary funding with our joint venture partners and Central Government. Whilst good progress has been made securing access to the land required and confirming the cost of construction, these workstreams have both thrown up significant challenges to the project.



We successfully negotiated a funding package that would spread the cost and many other parts of the partnership with Waimea Irrigators Limited (WIL) and hammered out many of the partnership arrangements during the year.



Council consulted on the funding and governance arrangements in November and December 2017 before including Council capital expenditure of \$26.8 million and the rates mechanisms to fund the project in the Long Term Plan 2018-2028. It was decided to create a Council Controlled Organisation (CCO) to own and operate the Waimea Community Dam.



We have received confirmation that WIL has completed successful capital raising and achieved the necessary binding agreements to raise \$15 million for the capital funds required for the Dam.



Central Government has confirmed its funding to Council of \$7 million from the Ministry of Environment's Freshwater Improvement Fund (towards the improved minimum water flow in the Waimea River that results from the project) and a \$10 million interest free loan from CIIL. CIIL has also confirmed a loan of up to \$29 million to the CCO in support of WIL who will be servicing the loan, with Council as guarantor.



In June 2018 Nelson City Council made provision for a \$5 million contribution to the project in its Long Term Plan.



Progress has been made in accessing the land necessary to build the Dam through negotiation and use of the Public Works Act. The original approach to obtaining access to the nine hectares of Department of Conservation (DOC) land is not now considered appropriate. Instead the rights to inundate the DOC land will be achieved through a local parliamentary Bill. The process to develop and introduce this Bill has been commenced. Separate talks to obtain an agreement to store water on Ngāti Koata land are ongoing with good progress being made.



A process of early contractor engagement was carried out and three capable contractors shortlisted for the latter stages of the procurement process. The process to arrive at a construction price was completed in July 2018. Unfortunately the final price for the construction and design is significantly higher than anticipated. This has created a setback and a challenge for the project. Unless a solution can be found to close the funding gap, we are unlikely to proceed with the proposed Dam.

Work on funding, land access, commercial terms and governance arrangements is ongoing. Council is also re-evaluating the alternatives to the dam. We continue to try to find a way forward to address the need to augment the water supply in the Richmond Waimea area. The consequences of not being able to do this include cutbacks in water allocations across Richmond, Brightwater, Wakefield, Mapua and Redwood Valley, and more frequent and severe water restrictions. These will have a significant negative impact on the Tasman and Nelson economy and lifestyle.

#### REDUCING STORMWATER FLOODING IN MOTUEKA

We have been installing 550 metres of new stormwater pipe and 15 sumps from High Street, up Poole Street, Wilkie Street and ending at Jocelyn Avenue. The new pipe has a capacity for up to a 1-in-20 year flood so will reduce the risk of stormwater flooding in that area of Motueka in most adverse weather conditions. This work was brought forward about a year to respond to the frequency of flooding in the vicinity.

We also responded to flooding affecting hazelnut trees and storage sheds on private property at 40 Staples Street in Motueka. Work was undertaken to behead a land drain and redirect the stormwater flows into a pipe in Fearon Street. Existing budgets that were unlikely to be used in the 2017/2018 year were utilised to carry out this work in order to respond to the immediacy of the issue.

#### MAINTAINING WASTEWATER SERVICES TO THE COMMUNITY AND REDUCING IMPACTS ON THE ENVIRONMENT

We have been working on several important projects designed to ensure that we keep providing reliable wastewater services to the public whilst reducing the impact on the environment. The new projects are designed to reduce the number of wastewater overflows and enhance the quality of the treated water discharged.

The upgrade of the Motueka Wastewater Treatment Plant is complete. There are a few minor defects to resolve but the discharge from the treatment plant has improved significantly since the membrane filtration plant and outfall became operational in October 2016. The discharge quality is very consistent and the risk to human health and the environment has been reduced.

Replacement ultraviolet treatment was installed at the Collingwood wastewater treatment plant. The wetlands have also been upgraded with the aim of achieving better control of discharges and improving the treatment quality. We have been experiencing some teething problems in getting this new system to operate effectively but believe things are now coming right.

Work to replace and increase the capacity of the major sewer line that takes wastewater from Kaiteriteri to the Motueka treatment plant has been completed. The new sewer line was laid beneath the road between Stephen's Bay and Goodall Road rather than across the Tapu Bay estuary, which is the route of the pipe line being replaced. A new pump station at Kaiteriteri is now under development.

There are more projects coming in the 2018/2019 year that should further improve our wastewater performance. The Four Winds pump station and rising main has been designed and physical works will be underway shortly. This work will increase the system's capacity and should be completed before Christmas (ahead of the busy tourist season) to help avoid overflows and main breaks in Pohara. Two Mapua/Ruby Bay pump stations and the trunk main (between 72 Stafford Drive and Mapua Wharf pump station) have been undergoing design with construction planned to start in the 2018/2019 year.



## DEALING WITH PESTS

Together with Nelson City Council, we developed a draft Regional Pest Management Plan. The Regional Pest Management Plan Proposal 2017- 2027 was publicly notified on 4 November 2017, before the expiry date of the existing Regional Pest Management Strategy. This allowed the Strategy to continue in force until the new Plan Proposal has completed its statutory process and is formally made a Plan.

The Plan is designed to support the work of many committed groups involved in managing environmental pests. Introduced pest animals and pest plants pose major challenges for our region. These pests affect our productive sector and natural ecosystems, destroying the habitat of native birds, animals and insects. The focus of the proposed plan is on high-risk pests that are in the early stages of infestation as these make best use of the councils' limited resources.

In August 2017, we declared a small-scale management programme (SSMP) to deal with the marine pest Mediterranean fanworm (*Sabella spallanzanii*), referred to as Sabella. This marine pest can have potentially adverse effects on economic well-being and the environment, as well as on the relationship between Māori, their culture, and their traditions and their ancestral lands, waters, sites, wāhi tapu, and taonga. The objective of the programme is to control Sabella in the Tasman District over the next three years to reduce spread within the region and to other areas.

In August 2017, the Top of the South Marine Biosecurity Project was highly commended in the Government category of the New Zealand Biosecurity Awards. The award recognised the collaborative approach of Tasman District Council, Nelson City Council, Marlborough District Council and the Ministry for Primary Industries to prevent harmful pests and diseases from getting into the marine environment.

## QUEEN STREET UPGRADE COMPLETED

Council's biggest physical works project is finished! After 18 months of planning followed by about 18 months of construction, the Queen Street upgrade has been completed. The revamped street provides wider footpaths for pedestrians to enjoy with a safety buffer zone between people and cars. We have improved seating, street furniture and planting to make using central Richmond more functional, safe and pleasurable. A lower speed limit and plenty of on street parking, helps to create a better shared use space for pedestrians, cyclists and vehicle users. The road's contouring and newly installed stormwater slot drains have been tested in several severe weather events and performed well. The project has been named a finalist for Best Street in the keep New Zealand Beautiful Awards and some of the new seating was a finalist in Age Concern's AgeConnect-Friendly Environment Champion Award for the year.

The project has not been without its challenges. The initial stage of the work lagged behind the timeline as a result of discovering some services were in a significantly worse state than anticipated and a layer of coal tar had to be removed and disposed of as a hazardous substance. Most of the lost time was caught up in subsequent phases of the project but one of the consequences was the need to close longer stretches of Queen Street than originally planned. Coordinating the sequential work of up to eight different sub-contractors on the site was a logistical challenge. We devoted a lot of time to keeping all the affected parties informed about progress.

Traffic management for the changing areas of the street that were closed was a challenge for the contractor and the public alike. Providing access to businesses and car parks presented many issues and when access to Richmond Mall was closed a successful temporary roundabout was installed at Talbot Street to facilitate access to the Richmond Mall car park.

We now look forward to the public enjoying the improved road and public space on Queen Street, as well as being able to visit the many businesses in the area without restriction.

To celebrate the initial completed section of the work, Queen Street played host to the First Taste street food festival in October, with about 1500 people joining in the fun. The event provided a chance for people to come down, get excited and experience how the redesigned space can be a point of connection for the community and see what can happen in this space.

Take Two in Sundial Square took place on 12 May 2018 to recognise the street's progress with our circus performers wowing the crowd, the kids having a blast trying out juggling, hula-hooping and unicycle riding, and the lights and bubbles creating a magic atmosphere. The highlight of the night was The Greatest Showman on the big screen with families bringing their deck chairs and snuggling up under blankets to enjoy the outdoor movie. Richmond food vendors kept everyone fed and happy.

## HANDLING TASMAN'S WASTE

### PLANNING HOW TO MINIMISE WASTE

We have been working with Nelson City Council on the six-yearly review of our Waste Management and Minimisation Plan to consider how we can handle the solid waste being generated in the region. A starting point in the planning process is developing a waste assessment to consider the likely future forecast of demand and consider the options to meet the expected upcoming requirements. Contrary to the national trend our waste assessment found that the amount of waste being sent to the landfill per capita had generally fallen from 642kg per person in 2009/2010 to 598kg per person in 2015/2016. However, more recent figures show the level rising primarily as a result of some large construction projects creating waste and the disposal of contaminated soil. The assessment also showed that the volume of greenwaste and recyclables diverted from landfill has increased in the last few years, with most greenwaste recycling now being handled by commercial firms.

The Draft Waste Management and Minimisation Plan was approved for consultation in June 2018, with consultation taking place in August 2018. In the draft plan we propose that waste minimisation is a whole-of-community responsibility, rather than something the Councils can handle alone. The plan identifies that we are better able to manage waste regionally and proposes improved engagement with and enabling of the community to contribute to waste minimisation. Once finalised the Waste Management and Minimisation Plan will guide our future investment and innovation in the solid waste area.

### RECYCLING CHALLENGES

Our recycling system – along with recycling systems worldwide – is facing challenges. The international market for recycled materials has contracted because China will no longer accept large volumes of recycling materials. South Island recyclers often have to export overseas as the domestic recycling facilities are in the North Island and don't have the scale to process all the material collected in the country. Unfortunately other countries do not have the capacity to process the large volume of material China could. This has had the effect of reducing demand for recyclable materials globally and the prices paid for materials have dropped as a result.

These market changes are having most impact on the recycling of mixed paper and cardboard (which makes up 41% of Tasman's recycling) where the value has dropped by 90% and mixed plastics (which make up 2% of Tasman's recycling) where we are stockpiling in the hope of finding an alternative market. There have been no real changes for the recycling of glass, tin and aluminium and plastic types 1 and 2.

China also has strict new contamination requirements for recyclables – accepting only material with very low levels of contamination. Most kerbside recycling systems, including ours, struggle to meet the new requirement and we have had to look for alternative international markets. To ensure our recycling material is uncontaminated as possible we are increasing kerbside audits of recycling bins – and rejecting bins containing contaminated materials if need be.

### WASTE SERVICES IMPROVEMENTS

During the year we have made some improvements to the way we collect and dispose of rubbish and recycling. In September we purchased four portable recycling containers in the form of 20-foot shipping containers divided into six adjustable bays. Two of these were located at Murchison and one at Kaiteriteri as recycling drop off points with the fourth acting as the empty replacement when a full container is collected. The public has responded well to these new drop off points as ways to make recycling an easy option.

We were also successful in securing funding from the Government's Tourism Infrastructure Fund to locate four additional compacting rubbish receptacles at Waitapu Bridge in Golden Bay, Marahau and Alexander Bluff in the Motueka Valley to improve the services for visitors to dispose of their waste in a responsible way.

At the Mariri Resource Recovery Centre we have upgraded the disposal pit, improved storage and installed a new waste compactor. The new compactor means that less rubbish escapes at the site and because it can pack more waste into each container, means less truck journeys to and from the centre.

## INCREASING THE CAPACITY FOR GROWTH IN RICHMOND SOUTH AND WEST

Over the past few years population and housing growth in Richmond has taken place faster than expected utilising much of our land with available infrastructure ready for development. Releasing significantly more land for development in Richmond South and West is dependent on the construction of the 4.3km long water trunk main and associated reservoir, and continued development of Borck Creek to help manage stormwater. We are investing in assets ourselves to meet these needs and have been partnering with the companies creating subdivisions in the area.

We were approached by four developers wishing to progress development in Richmond West with a proposal to co-fund important water supply assets which will enable their subdivisions to take place and provide improved resilience and capacity to the wider Richmond community. The work involved doubling the capacity of the of the existing balance tank at the Richmond Water Treatment Plant, installing a back-up generator for the plant and associated pipe, electronic and

telemetry works. We brought forward funding in to the 2017/2018 financial year to take advantage of the partnership opportunity and to respond to the need for more land for growth as soon as possible.

Work on the new tank at the treatment plant is nearing completion, and construction has started for the first sections of the Richmond South water main. This includes: 812 metres in Richmond West to help serve development there; 780 metres along Bateup Road to coincide with the road upgrade; and 518 metres along Paton Road and through the Arizona subdivision with the developers and their contractors undertaking the construction on our behalf.

This joined up approach ensures that the main is installed at the right time in the development of the subdivisions in these areas. It utilises the contractors already on site to reduce the level of management required by Council staff and saves money.

Our contractor dug a trench along the side of Bateup and Paton Road starting in April 2018 to install the trunk water main. This was the first stage in a fair bit of work on Bateup Road and has been followed by widening the road from Three Brothers Corner to Wensley Road. This is to accommodate the extra pedestrian, vehicle and cycle use that will flow from the new residential development and a new supermarket planned for the area. The road and footpaths are being made wider, and a roadside drain is being replaced with a pipe and stormwater storage chambers. This work is due to be completed in December 2018.

In August we began the upgrade of the water supply infrastructure on Lower Queen Street to help meet the needs of the growing population. This work includes the replacement of an old water pipe between McDonald's and Headingly Lane as well as a new sewer pipe from Diesel Drive to Headingly Lane. The progress of this work was delayed due to a late start, high groundwater and poor road base-course which has made excavation slow going, however it was completed by the end of July 2018.

Another important requirement to enable further development in Richmond South and West is improving the capacity of Borck Creek to discharge stormwater from the new residential areas to the sea. We have an ongoing programme to widen the Creek and make the channel as natural as possible to encourage wildlife and enhance recreational amenity. During 2015/2016 we widened the Creek between Headingly Lane past the Richmond Water Treatment Plant and Poutama Drain. Our work in 2017/2018 involved modelling and design work for the next sections and working with developers to understand their needs. This will continue into 2018/2019 with ongoing land acquisition for the Creek and associated drains in Richmond South and West taking place progressively over the next few years. We have budgeted for further physical works from 2021/2022 and are hoping to work closely with the developers of subdivisions in the area to carry out bulk earthworks with ecological improvements to follow.

Also in Richmond West, we have started installing box culverts off Lower Queen Street to discharge stormwater to the Estuary in order to enable use of 20 hectares of new mixed business land. This work will be completed in 2018/2019.

## THE COMMUNITY HAS ITS SAY

### REPRESENTATION FOR OUR COMMUNITIES

We started a review of Council's representation arrangements, which looks at how many councillors should be elected, if they are to be elected by ward or the District as a whole, or a combination of both, and, if by ward, the number of wards, their boundaries and names. The review also examines whether to have community boards and how many, number of elected members and number of appointed members. Once finalised, these arrangements will apply for the 2019 and 2022 triennial elections. What did Council decide in 2017/18 and what happens next?

Prior to the review, we also considered two associated processes, being the choice of electoral systems and whether or not to establish a Maori Ward. On 7 September 2017, Council resolved to retain the First Past the Post electoral system for the 2019 and 2022 triennial elections, including by-elections and polls. On 16 November 2017, Council resolved not to establish a Maori Ward for the 2019 triennial elections. Both of these processes could be overturned if Council receives a valid petition for a poll, and the outcome is not in favour of Council's decisions.

A by-election was held in February 2018 for a Golden Bay Community Board member, attracting four candidates for the position. Averil Grant was voted onto the board. Voter turnout for the by-election was 38.34%, being 1,577 votes.

### LISTENING TO OUR YOUTH

Over 600 youth took part in the 'What's Your Tasman' survey, run as part of early engagement on the Long Term Plan with assistance from Tasman's Youth Council. Members of the Youth Council presented and discussed the results of the survey at a Council workshop in September 2017.

Tasman youth councillors started attending Community Board meetings in 2017 and from May 2018 they also started attending formal Council committee meetings, with speaking rights. This gives our youth councillors the opportunity to learn how local government works and to raise awareness of young people's needs, concerns and perspectives.

### **BRIGHTWATER ENGAGED ON FUTURE ELLIS STREET DESIGN**

In late 2017 we carried out community consultation in Brightwater on the future of Ellis Street. The consultation included discussions with a working group made up of representatives of local business, Brightwater School, the residents' association, police, heavy haulage companies and others. A public drop-in session was carried out for the community to contribute ideas. An interactive brainstorming session with year 5 and 6 students used blocks to build models of what they wanted to see in the main street and to allow the views of students to shape the future of their community, as well as aligning with their class work on social issues and geometrics.

The project will focus on the safety of Ellis Street while taking the opportunity to enhance its looks and features. The detail will be designed in the next phase of the project and may include traffic calming measures to reduce traffic speed, better way finding through clearer signage and removing barriers for pedestrians and cyclists, and a stronger connection to the school through wider more attractive footpaths. Construction is scheduled in the LTP for 2019/2020.

### **OTHER CONSULTATION PROCESSES**

Consultation on the governance and funding aspects of the Waimea Community Dam took place between 21 October and 26 November 2017. Over 1500 submissions were received from individuals and organisations.

The Long Term Plan was a major piece of work this year and 484 individuals and organisations made submissions on Council's work programme for the next ten years as well as several concurrent policies and plans. Council also took a new approach by seeking early input from the community between 13 March and 18 April 2017, which helped guide the development of our Long Term Plan. More than 700 people or organisations gave feedback, including 637 through a youth-targeted survey)

A long-term masterplan for Mapua's waterfront has been developed, following consultation in July/August 2017 with the community on various options for future development of waterfront land.

The Motueka Community Board ran a survey in September 2017 to help identify which local projects should take priority for funding from their Special Projects Fund in 2018.

We sought community views and feedback on a range of other plans and projects during the year including the Freedom Camping Bylaw, the Motueka and Richmond Parking Strategy, the Regional Land Transport Plan, the draft Motueka Aerodrome Plan, the proposed Tasman/Nelson Regional Pest Plan and several changes to the Tasman Resource Management Plan.

## **BEING AGE-FRIENDLY**

In September 2017, Tasman District Council and Nelson City Council arranged a series of speakers on topics relating to ageing, retirement, and the demographic change. We also started a community conversation on the needs of our older people and how Council can plan for the challenges and opportunities of our ageing population. This work is continuing in 2018/2019 with the development of an Age-Friendly Policy.

We held the annual Positive Ageing Expo in April, with more than 75 stallholders and a wide range of seminars and demonstrations, and have continued to support the Positive Ageing Forum.

Council have also been involved with the AgeConnect project, led by Age Concern Nelson Tasman, which aims to encourage more community action and engagement with and for older people.

Council received an AgeConnect award from Age Concern in recognition of our work promoting positive ageing and encouraging community connections. In particular the Reserves team at Council were recognised for the age-friendly seating we installed as part of the Queen Street redevelopment.

We have continued to progressively upgrade Council's 101 community housing units for older people.

## **LIBRARIES AT THE HEART OF OUR COMMUNITIES**

Tasman District Libraries continue to be well used by their local communities. During the past year 519,678 people visited our libraries and 602,831 items were borrowed; that's the equivalent of 10 visits and 12 items per Tasman resident.

During the past year our libraries delivered a total of 778 events and programmes with attendances totalling almost 15,700. As well as raising awareness of what the libraries have to offer, the events and programmes provide opportunities

for learning, social connection and community engagement. Events included class visits; holiday programmes; outreach visits to schools and preschools; book group meetings; craft groups; workshops; author visits; and digital training sessions. Highlights included:

- Visits from renowned authors Joy Cowley, Dame Fiona Kidman, Jenny Patrick, Elizabeth Smither and Apirana Taylor.
- The establishment of groups such as Fresh Foodies, Garden Gurus, Lego Club and the Richmond Writing Group. Regular meetings of these groups enable social inclusion, practical learning and information sharing.
- Takaka Library contributed six events to Golden Bay Wordfest, including word games morning, book talks and poetry readings.
- A “read around the world” reading promotion ran across the district, attracting considerable interest and positive feedback from library users. Finding new authors and new types of literature and experiencing different cultural perspectives were all reported as positive outcomes from the promotion.

Two of our libraries celebrated significant milestones during the year. Motueka library celebrated 160 years in 2018. The anniversary was celebrated with events such as special morning teas, a range of authors and speakers, and a Victorian picnic. In April 2018 the Takaka library celebrated ten years in the new building in Junction Street with a series of events, including ‘Blast from the Past’ lunchtime talks. Local artist, Robin Slow generously donated a triptych of paintings and Heritage Golden Bay commissioned new plaques on the history of the libraries in Golden Bay.

In November 2017, Motueka Library, in collaboration with Motueka Family Service Centre, launched the 1000 Books Before School programme. The programme encourages children, along with their parents and caregivers, to read (at least!) 1000 books during the 5 years between birth and starting their first year of school. The aim is to create a culture where we read aloud to our children from birth. The more stories children hear read aloud, the more words they will know and the better they will be able to talk. By June 2018, more than 150 children had registered for the programme and were starting to reach the target and complete the programme.

We undertook a feasibility study in 2017/2018 to investigate redevelopment and expansion options for Motueka Library. Space issues at the library are continuing to cause service delivery difficulties. Council has included funding for redevelopment of the library in the LTP 2018-2028 with design work due to take place in 2019/2020 and construction to commence the following year.

## PROTECTING THE QUALITY OF OUR FRESHWATER

Council supported in principle an application for a Water Conservation Order (WCO) for Te Waikoropupū Springs. The application was considered by a Special Tribunal appointed by the Minister for the Environment in Takaka in April, May and June of 2018 and then adjourned to seek further information. Council is committed to protecting the Springs and providing effective management of water throughout the Takaka catchment. A WCO will sit alongside Council planning rules, which we are required to develop to give effect to the National Policy Statement for Freshwater Management. Planning rules are being developed with the help of the Takaka Freshwater Land Advisory Group (FLAG), made up of representatives from a cross-section of the local community. FLAG recommendations to Council are anticipated by the end of 2018. Manawhenua iwi reviewed FLAG work and provided a mātauranga Māori report in June 2018. There is a high level of community interest in ensuring the protection and enhancement of the Springs’ water quality. On 5 April 2018, Council received a petition from the Save our Springs group.

Between October 2017 and January 2018, the clarity and water quality of Te Waikoropupū Springs was tested by NIWA scientists, contracted by Council through an Envirolink Science grant. What was the result of the testing? Te Waikoropupū Springs, along with Blue Lake, are considered to have some of the clearest waters ever measured. Te Waikoropupū Springs are also the largest cold water springs in the Southern Hemisphere. The exceptional visual clarity appears to result from extremely efficient natural filtering removing particles within the Spring’s aquifer before re-emergence of the water.

Across the District as a whole Council staff worked with NIWA on investigating the effects of fine sediment on our rivers, particularly the Waimea and Moutere Rivers.

## DEVELOPING RESERVES AND PROVIDING FOR RECREATION

The Saxton Velodrome was officially opened on 13 February 2018. It is a community cycling facility which provides a competition-standard track as well as a dedicated learn-to-ride area, complete with road markings and signs.

Work is continuing on management plans for all Motueka’s reserves. After an initial public consultation phase, staff prepared background information for all the reserves proposed to be classified or declared reserve, and created maps of all the reserves. Consultation on these classification is taking place in July/August and is required before we notify a draft Motueka Ward Reserve Management Plan.

Over summer, a skatepark tour visited seven locations across the District where participants could show off their skate, BMX and scooter skills and compete against other riders.

During 2017/2018, six of our local parks became 'Magical Parks' where children and families could access a virtual reality playground.

We upgraded the Takaka Memorial Reserve Playground in Takaka using a concept design that included ideas and feedback from local children. Work on the playground has been completed with an official opening to take place in 2018/2019.

We continued to deliver the Enviroschools programme to 24 schools and early childhood education providers, supporting supports children and young people to plan, design and implement sustainability actions. Pinegrove Kindergarten became our fourth Enviroschool to achieve GreenGold status, which means environmental sustainability is fully embedded in everything it does.

## RECOGNISING OUR HERITAGE

During the year Library staff researched local history to provide information for heritage panels in Webby Lane and along Queen Street, as well as continuing to update The Prow website with historical stories from the Top of the South.

On 28 June 2018, Council resolved to retain the almost 120-year old Golden Bay Grandstand and give a community group the opportunity to lease and restore the building.

In November 2017, history was brought to life in Easby Park, Richmond where actors brought to life some local historic stories and showcased what life was like many years ago.

Earthquake strengthening of Motueka Museum was completed in October 2017, ensuring a safe space for displaying the heritage and stories of Motueka.

## WORKING SMARTER

We've continued working toward a fully digital building consent process by implementing the AlphaOne building consent system. This fully online process will provide customers with the ability to track the progress of consents and easily provide further information.

In December 2017, Council approved the business case for digital and online services implementation. This work aims to position the organisation to better deliver digital services to customers and residents. Funding was subsequently included in the Long Term Plan 2018-2028. We have started work to redesign our website, moving it to the all of government common web platform and making it more useful and useable. This project is nearing completion. Over the 2018/2019 year we will begin a programme of work to deliver improved digital services.

## DELIVERING OUR BUSINESS AS USUAL

The services we provide underpin almost every aspect of people's daily lives. These services and facilities are funded by rates, user charges and subsidised by income from our commercial activities. They help to keep people safe, protect and improve the environment, provide essential infrastructure, and bring our community together to do the things they want, in the places they want. Every day our staff and contractors are working hard to:

- maintain roads, bridges, footpaths, cycleways and walkways, car parks, streetlights, traffic signs and culvert pipes
- look after parks, reserves, playgrounds, libraries, public toilets and some of our region's historic sites
- provide regulatory services like animal and noise control, food safety, resource consents and alcohol licensing
- maintain the water, wastewater and stormwater networks across our District
- engage with communities and create partnerships to undertake local projects
- monitor and manage the quality of our land, air, water, coasts and biodiversity
- collect and manage waste and recyclables
- maintain flood protection along 285km of our major rivers
- ensure new buildings are safe and healthy
- ensure our coastal waters are accessible and safe for boaties and swimmers
- make sure our popular places can continue to be enjoyed, such as Richmond Aquatic centre, Moturoa/Rabbit Island Reserve, and Tasman's Great Taste Trail

- provide Land Information Memorandums (LIMs) on request and respond to the multitude of enquiries from the public received by mail, email, telephone or in person
- register the District's nearly 11,000 dogs
- ensure that rates are collected to fund Council's activities and respond to rates queries from the public.

## OUR NON-FINANCIAL PERFORMANCE AT A GLANCE

We measure our performance in delivering services to our community using a set of performance targets that are set out in the LTP 2015-2025. Reporting how we have performed against these targets presents a high level view of our performance. More results on other aspects of performance, such as environmental and regulatory monitoring can be found in the public reports held on our website or by contacting Council.

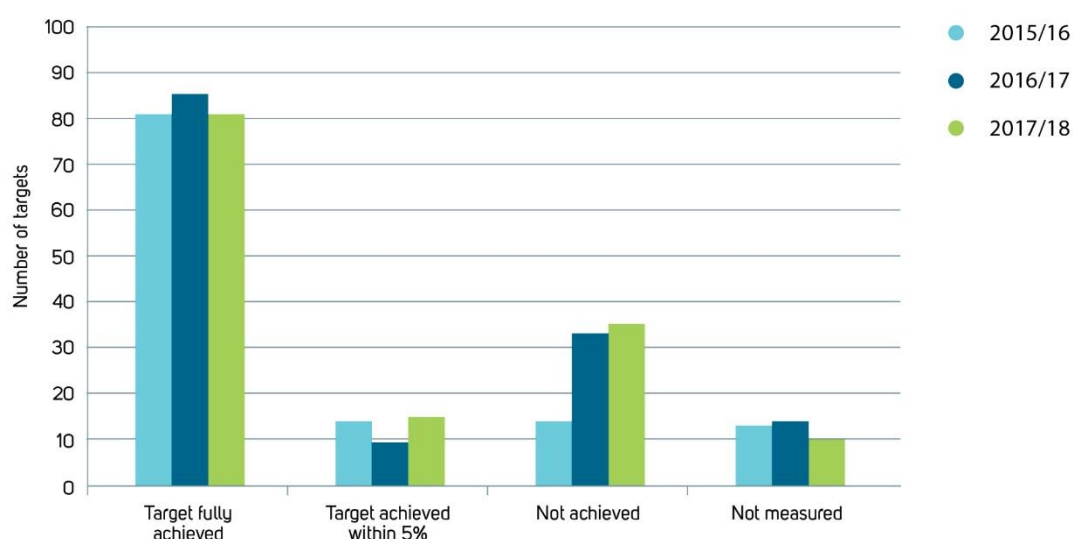
We have 129 measures that we report on through this Annual Report and within these measures there are 141 targets. We aim to report on most, but not all of these targets each year. Full details on all the performance indicators are included in Part 4 of this Annual Report.

We achieved 81 of our targets fully, 15 were achieved within 5% of the target, 35 were not achieved, and there were 10 that we either did not have the full information available to report on or they were not due to be measured this year.

This is the third year of the LTP 2015-2025 so we can compare the results this year against those for the two previous years.

**Figure 1 – Non-Financial Performance 2017/2018.**

Non-Financial Performance 2015/2016 – 2017/2018



Several of our targets have purposely been set at a high level to encourage us to aspire to achieve higher levels of performance. Of the targets not achieved in 2017/2018 10 targets can be considered to be these 'stretch targets' for us to aim for in the future.

There is not one single reason for the number of performance targets that have not been achieved this year. In some cases the weather, and particularly ex-cyclones Fehi and Gita, affected performance e.g. for water quality in rivers and at beaches. In other cases, for instance drinking water quality, significant infrastructure upgrades are required before the targets can be achieved. This work has been programmed in the LTP 2018-2028 and has been staged over the next few years to enable us to stay within the caps in our Financial Strategy.

Details of our performance against all our targets is provided in section 4: Financial and Non-Financial Performance of this report.



## KEY FINANCIAL INFORMATION

We have continued our positive financial trend from the previous year and recorded another surplus. The surplus for the 2017/2018 year was significantly higher than budgeted. The underlying operational surplus was \$5.8 million<sup>1</sup>.

The positive financial position reflects ongoing operational savings achieved by Council, delayed capital expenditure for some large projects, and lower debt. The result was also assisted by a number of external factors which moved in our favour. These external factors include:

- Increased revenue from forestry activities
- Lower debt levels and borrowing costs
- Low inflation
- Higher than anticipated population growth
- Increased dividends

Offsetting these were;

- Costs associated with Ex Cyclone Fehi and Gita
- MCDEM declining our 2010 Aorere rivers compensation claim

A fuller description of the financial variances from the Annual Plan 2017/2018 is contained in Note 36 to the Accounts in this Report.

### REPORTING AGAINST OUR FINANCIAL STRATEGY

The Financial Strategy in the LTP 2015 – 2025 provides an outline of our policy on financing capital works and managing debt. The LTP provides for capital expenditure of between \$28 million and \$34 million per annum, and operating expenditure of between \$110 million and \$119 million per annum for the 2017/2018 to 2019/2020 years.

The majority of proposed capital expenditure and associated loans are for engineering works such as water, stormwater, wastewater and transport (roads), with a small percentage for community facilities.

The Financial Strategy outlines how we will manage our revenue, expenses and assets, liabilities and investments.

The objective is to provide for the current and future interests of the community while also:

- providing for growth and changes in land use
- ensuring that the level of rates and borrowing is financially sustainable and is kept within our set limits
- being accountable for maintaining the assets that Council owns on behalf of the community
- funding network infrastructure and maintaining levels of service
- obtaining reasonable returns on investments; and
- meeting new Central Government standards for services such as drinking water.

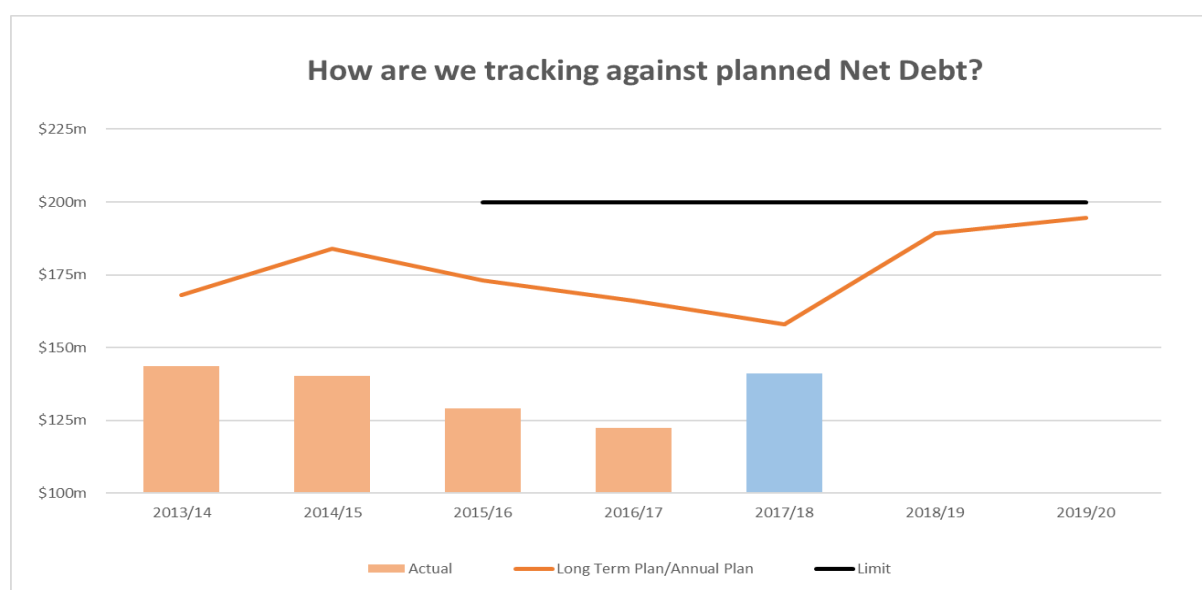
### NET EXTERNAL DEBT

Our net external debt at 30 June 2018 was \$141 million, which is below our net external debt cap of \$200 million in our current Financial Strategy. This is also lower than the \$159 million forecast in the Annual Plan 2017/2018. Net external debt for 30 June 2019 is now also expected to be lower than previously forecast (**See Figure 2**).

Debt has been reduced by direct savings from operational budgets which have been used to repay debt. Also favourable interest and borrowing conditions, a lower opening debt position than budgeted, delays to some large capital works, higher than anticipated income due to things like higher population growth than forecast, and greater forestry income than planned. We've also received increased dividends which have been used to pay down debt. This was offset by costs associated with ex cyclone Gita and Fehi which had a net cost to council of up to \$3.9m after NZTA's contribution.

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<sup>1</sup> Once the non-cash and capital funds were removed.

**FIGURE 2. How are we tracking against planned debt?****RATES AFFORDABILITY**

To help manage rates affordability, we include a limit on rates revenue in our Financial Strategy. For the LTP 2015 – 2025 this limit was set at \$51 million for General Rates and \$46 million for Targeted Rates per annum over the life of the LTP, reflecting the work done to address rates affordability issues. This Annual Report shows we are below the limit at \$36 million for General Rates and \$34 million for Targeted Rates.

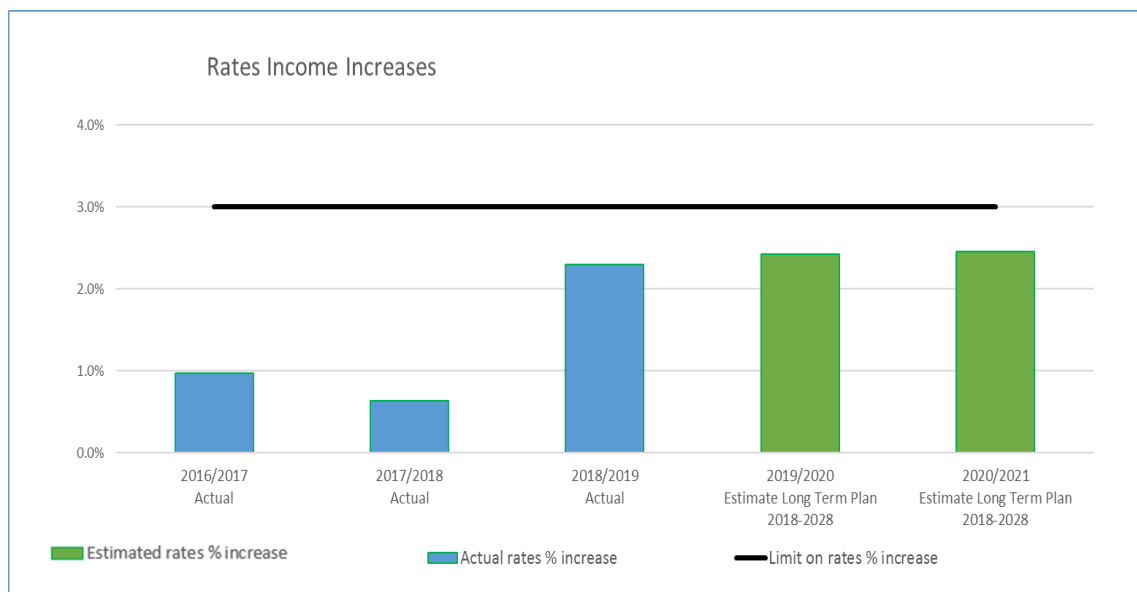
(See table 1).

**TABLE 1 Rates Revenue**

MEASURE	2015/2016 ACTUAL	LTP 2015-2025 ANNUAL LIMIT	2016/2017 ACTUAL	2017/2018 ACTUAL	2018/2019 LTP 2018-2028
General rates revenue	\$35m	\$51m	\$36m	\$37m	\$38m
Targeted rates revenue	\$33m	\$46m	\$34m	\$33m	\$34m

We also include a limit in our Financial Strategy on rates income increases. Increases are currently limited to a maximum 3% per annum, plus an allowance for annual growth in rateable properties. This was a new limit set as part of the LTP 2015 – 2025, which is why the graph starts at 2015/2016.

The blue bars in **Figure 3** show how we have performed against the 3% limit. The 2017/2018 year saw rates income increase by 0.63% (**See Figure 3**).

**FIGURE 3. Rates Income Increases**

(1) The assumptions that led to the savings in the 2016/2017 Annual Plan are not yet reflected in the 2018 – 2020 financial year estimates. Those estimates are based on the LTP 2015 – 2025, and reflect the assumptions about interest costs, and inflation amongst other factors that were made when the LTP 2015 – 2025 was adopted.

#### DEBT AFFORDABILITY

The debt limits/affordability limits were developed based on external advice as to what levels would be appropriate for a Council of our size. Limits set enable us to retain our current credit rating of AA-. We remain well within the limits set out in our Financial Strategy. The limits are also in line with the local government sector as a whole (See Table 2).

**TABLE 2. Debt/Affordability Limits**

MEASURE	LIMIT	2014/2015	2015/2016	2016/2017	2017/2018	LONG TERM PLAN
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	2018/019 (ESTIMATE)
Net External Debt <sup>1</sup> / Total Operating Income <sup>2</sup>	<225%	130%	122%	108%	126%	162%
Net External Debt / Equity	<20%	11%	10%	9%	9%	13%
Net Interest on External Debt / Total Operating Income	<15%	7%	7%	6%	6%	8%
Net Interest on External Debt / Annual Rates Income	<25%	10%	10%	10%	10%	13%

<sup>1</sup> Net External Debt = total external debt less liquid financial assets and investments

<sup>2</sup> Total Operating Income = cash earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).

The definitions contained in our Financial Strategy differ from those applied to the Financial Regulations Benchmarks reported in our Annual Reports. The Benchmark reporting is prepared in line with the Local Government (Financial Reporting and Prudence) Regulations 2014.

### FINANCIAL PERFORMANCE SUMMARY

Our credit rating is 'AA- with a positive outlook' (Standard and Poors). This rating reflects our strong financial management, budgetary flexibility, liquidity and low contingent liabilities; and enables us to borrow funds at more favourable interest rates.

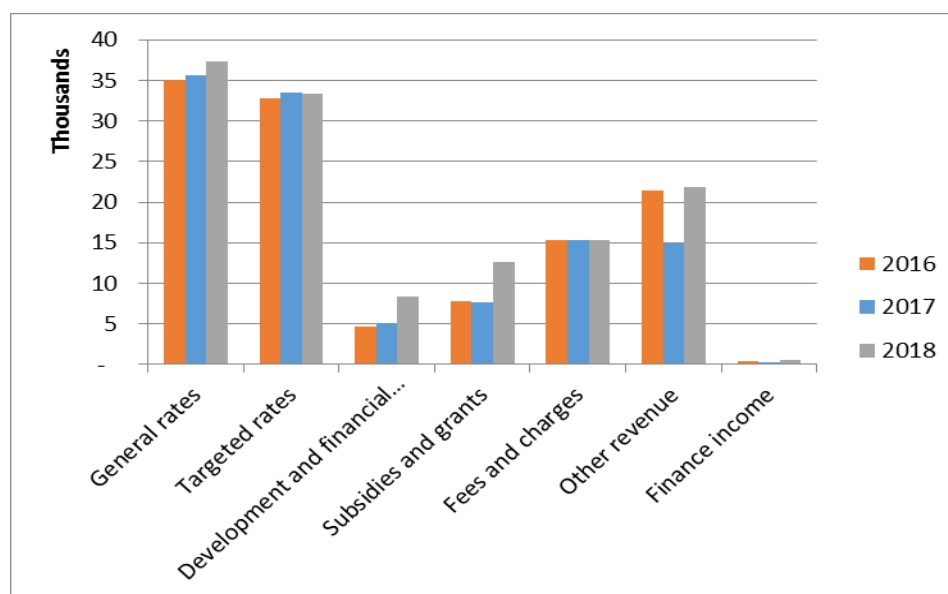
Total Council assets now total \$1.4 billion, which is an increase of \$60.0 million since 2017.

### REVENUE AND SAVINGS

Total rates revenue for the year was \$70.8 million, and revenue from all other sources totalled \$79.2 million.

General rate revenue increased partially as a result of growth in the District being higher than expected for the year (See Figure 4).

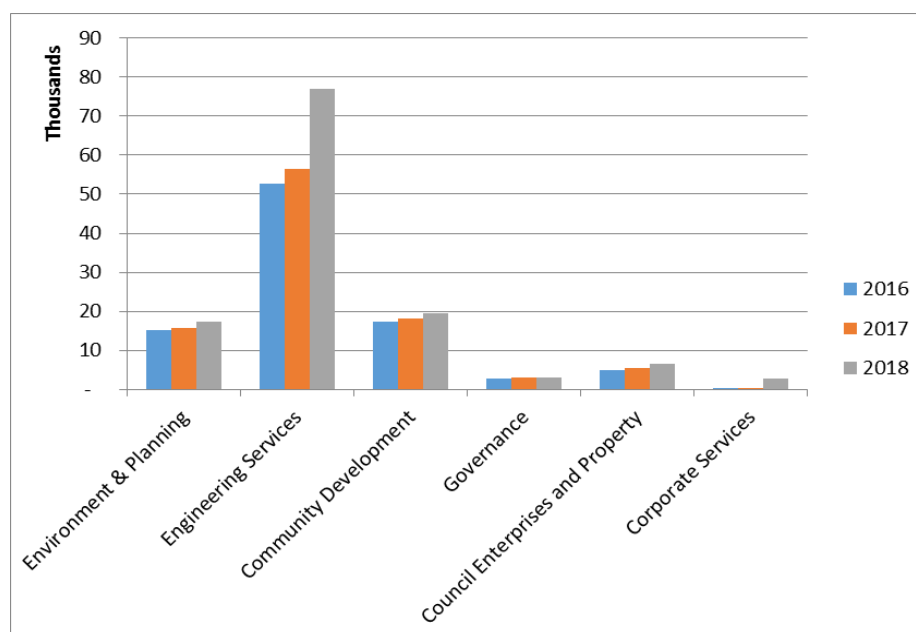
**FIGURE 4. Main Sources of Revenue (excluding revenue from associates and joint ventures).**



### EXPENDITURE

(See figure 5).

**FIGURE 5. Total Council Expenditure**



A summary of the large capital projects where capital expenditure has been delayed or deferred in 2017/2018 is listed below.

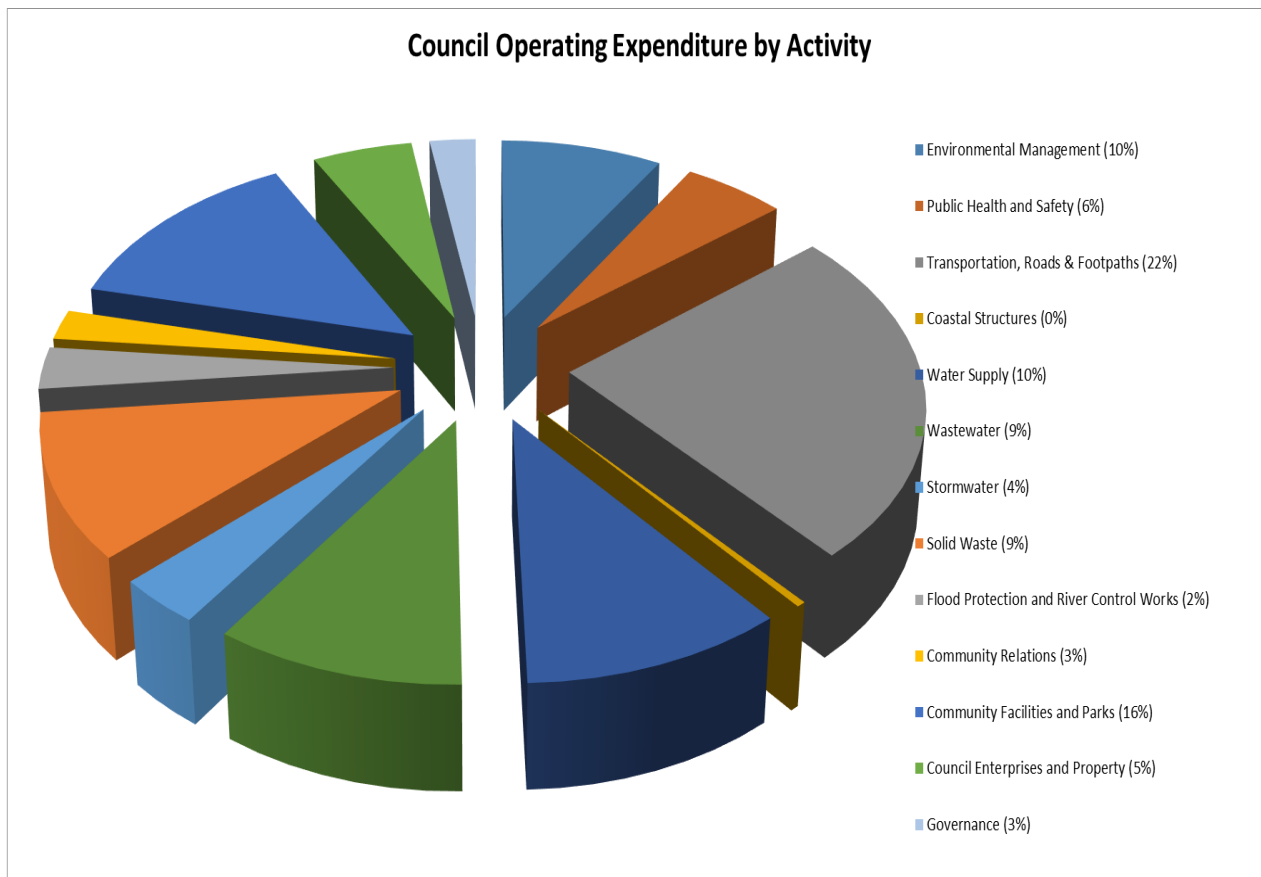
In recent years Council has experienced significant delays in implementing capital projects on time and spending the full budget for capital works. We have been working hard to be able to successfully deliver more of the programme in the year planned. In 2017/2018 we underspent our capital budget by \$2.47 million (approximately 5.75%) which is a substantial improvement in performance.

While the projects listed in Table 3 were underspent, Council carried over significant amounts from the 2016/2017 budgets to enable projects to be completed in 2017/2018. This had the effect of offsetting these underspends.

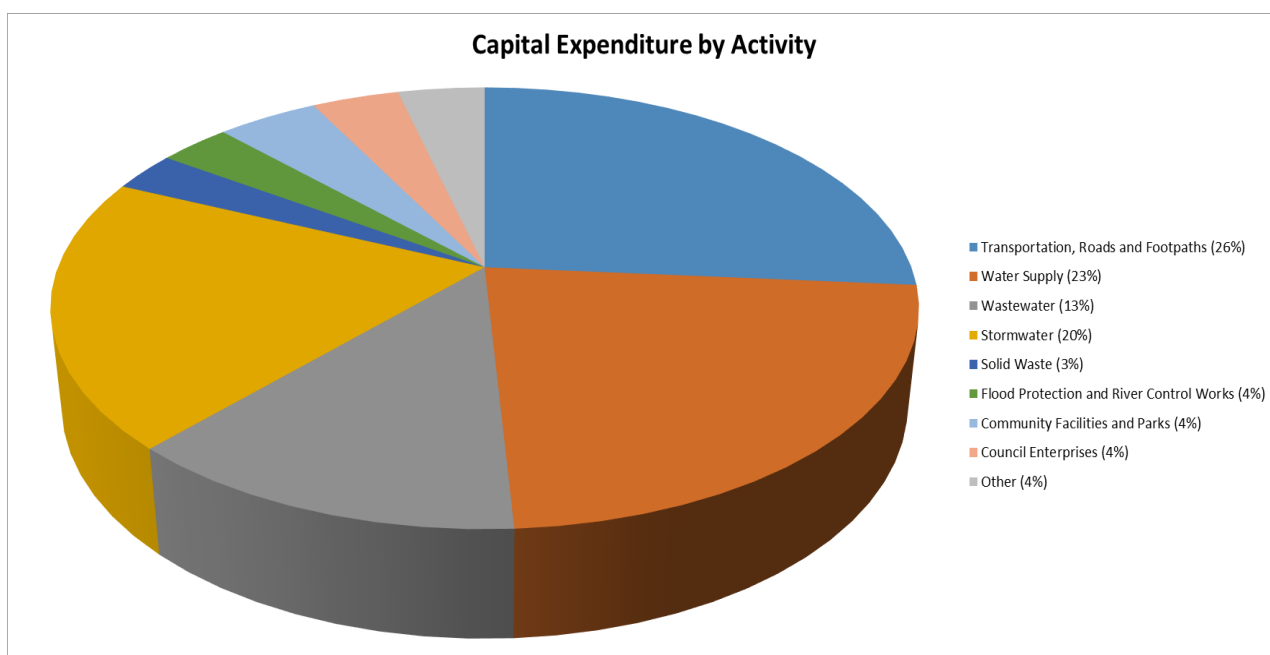
**Table 3: Key Capital Expenditure Delayed or Deferred**

<b>Project</b>	<b>Explanation of Delay</b>	<b>Variance from Budget</b>
Collingwood Campground Upgrade	This budget was a carryover from the 2016/2017 year and work has not been commenced pending resolution of complex land ownership issues. Some minor improvement works were completed.	\$561,000
Pohara Campground Improvement Buyback	The proposed buyback of lessee improvements was deferred, pending proposed sale of lessee interests. The ongoing upgrade programme took place in 2017/2018.	\$531,000
Richmond South Stormwater Land Purchase	Land procurement for drainage works is progressing with in principle agreements with land owners. Rising property values has made the valuation process challenging. \$2.5 million is committed.	\$2.5 million
Tasman's Great Taste Trail Construction	Minimal construction was completed in 2017/2018 due to the need to wait for the Ministry of Business Innovation and Employment to approve the business case and therefore the 50% Government contribution for trail completion.	\$1.4 million
Bateup Road Widening	High tender price delayed the start of construction. Council approval was required to reallocate funds from other projects before the contract could be awarded. This project is under construction and due to be completed in March 2019.	\$2 million
Lower Queen Street Stormwater Funding	Funding is to develop a new stormwater network in Lower Queen Street, through a new subdivision to the Waimea Estuary. The work was delayed owing to negotiations with landowners to secure a route for the new network. The work is in construction and due for completion by October 2018.	\$1.3 million

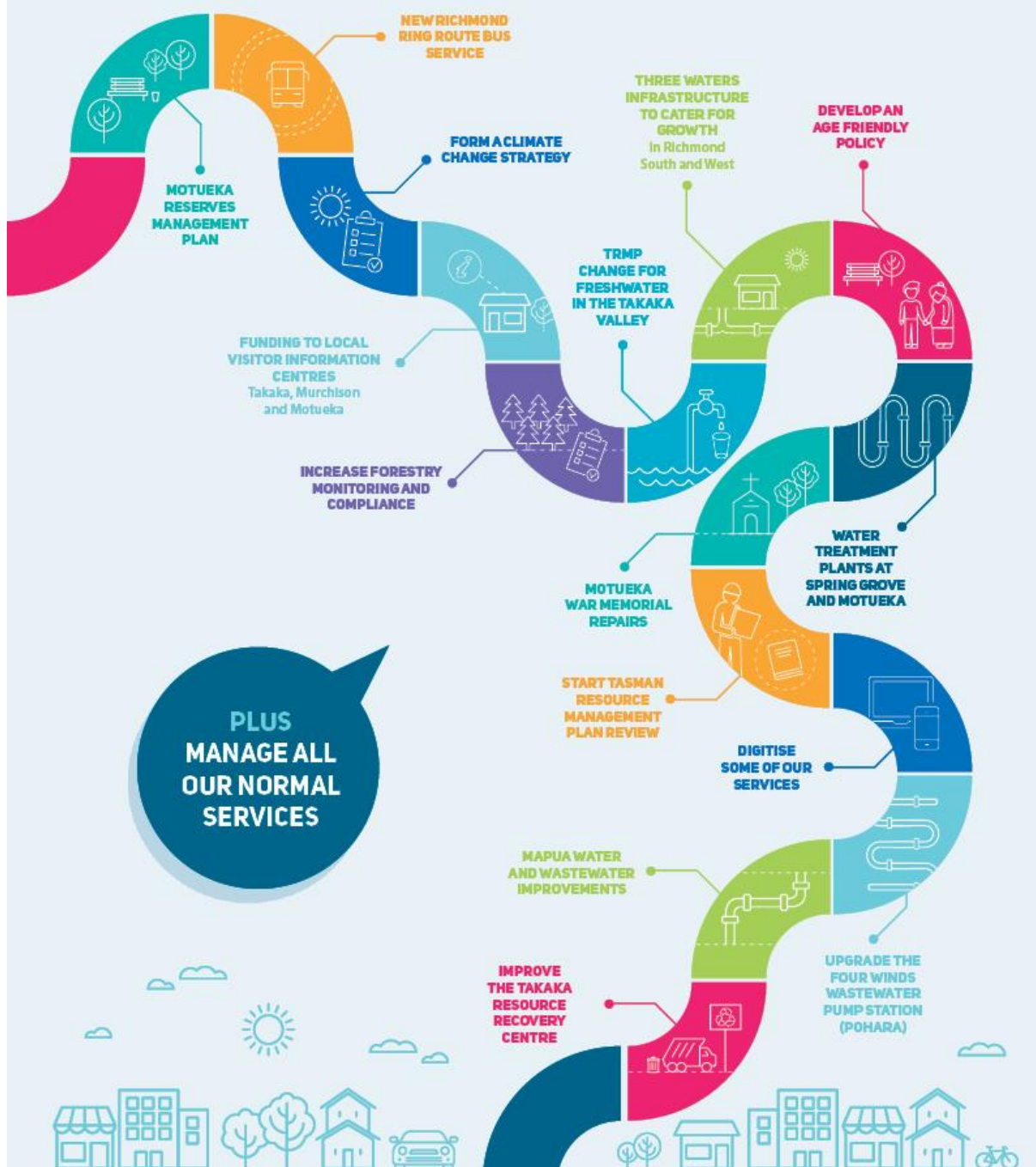
**FIGURE 6. Operating and Capital Expenditure**



**FIGURE 7. Capital Expenditure by Activity**



# KEY PROJECTS AND INITIATIVES FOR 2018/2019



## LOOKING FORWARD TO 2018/2019

2018/2019 will be a busy year. We have multiple projects planned to help the District thrive and enable our community to enjoy the Tasman lifestyle. In addition to our normal business, here are just some of the things we will be doing over the next 12 months.

### HELPING OUR COMMUNITIES TO ACCESS FACILITIES AND ACTIVITIES, AND TO CELEBRATE OUR HERITAGE AND CREATIVITY

- We will complete the feasibility study for the Motueka Library, select a site and begin preparing for the design work to enable construction to begin in 2020/2021.
- Following engagement with the community, we will be developing an Age Friendly Policy to help us plan for the ageing of our population.
- The work we have commenced to classify existing reserves and review the Motueka Ward Reserve Management Plan will be completed to guide the future use and development of these important open spaces.
- Working with a range of interested organisations, we will sign up to an Action Plan that aims to improve the environment and ecology of, and education on, the Waimea Inlet.
- Our process to digitise a range of Council services to enable members of the community to undertake a wider range of processes and transactions on-line will move up a gear.
- Our funding for the Motueka, Golden Bay and Murchison Museums will be increased to support these important local institutions share information on the heritage of our communities.
- We will be undertaking repairs to the Motueka War Memorial and its concrete surrounds.
- The Golden Bay Community Board will have the opportunity to support a range of special projects which are initiated and supported by the local community.
- The best way for Council to provide housing for older people in the future will be carefully considered by a working party.
- We will commence a four –year trial of a new bus ring route around Richmond to enhance the public transport options in this area of the District.
- We will be working with Nelson City on identification of potential improvements to our public transport services to cater for a larger proportion of the population.

### SUPPORTING AN INNOVATIVE AND SUSTAINABLE ECONOMY

- We will be working closely with Nelson City Council, Marlborough District Council and the Nelson Regional Development Agency to develop an economic strategy for the Top of the South Island.
- We are developing an ambitious plan to further develop the facilities at Port Tarakohe to be able to handle increased quantities of mussels to support the development of this industry in Golden Bay.
- Working with partners, we will be actively seeking opportunities to access the Government's Provincial Growth Fund in support of the regional economy.
- Our funding for local visitor information centres in Motueka, Golden Bay and Murchison will be increased to help meet the needs of the growing visitor sector.

### PROTECTING OUR NATURAL ENVIRONMENT

- We have increased funding to do targeted computer modelling work to support our natural hazards work programme.
- We will be developing a Climate Change Strategy to further consider the likely impacts on the District and plan Council's roles in helping our communities adapt.
- With the introduction of the National Environmental Statement for Plantation Forestry recently, we will be working closely with the forestry industry about these new regulations and will be increasing our resources for monitoring and compliance.
- Our work to improve the quality of freshwater will continue with a change to a catchment based approach for targeted interventions.
- The extensive environmental monitoring programme we undertake each year will be continued with increased focus on wetlands and Tasman Native Habitats.



- We will be engaging with stakeholders to develop a Biostrategy to plan our future biodiversity and biosecurity work.
- We will be releasing a new Regional Pest Management Plan and working to improve weed and pest control.
- Work to identify and manage sediment sources will be completed and reported on.

## SUSTAINABLE MANAGING OUR URBAN AND RURAL ENVIRONMENTS

- Managing our freshwater is a high priority. This year we intend to notify a change to the Tasman Resource Management Plan to implement the National Policy Statement for Freshwater Management in the Takaka Valley and continue work to manage water quality in the Waimea Catchment.
- Some of our planning documents are reaching the point where we are required to review them. This year we will be starting a review of the Tasman Regional Policy Statement and the District parts of the Tasman Resource Management Plan.
- We will be working with Nelson City to develop a strategy that will help both Councils and the wider community to plan for and manage the ongoing growth and urban expansion that the Nelson/Tasman region is experiencing
- We will be installing a new monitor to improve the monitoring of Richmond urban air quality and accommodate new national monitoring requirements.
- We will be consulting on and then finalising our Land Development Manual that establishes the infrastructural and environmental standards that need to be met in the formation of new subdivisions.
- To make accessing and understand the Tasman Resource Management easier, we will be transitioning to an electronic plan (rather than the old paper based version) over the next few years.

## PROVIDING EFFICIENT, COST EFFECTIVE INFRASTRUCTURE TO MEET CURRENT AND FUTURE NEEDS

- We will continue with the significant water, wastewater and stormwater work in Richmond South and West to supply these developing areas with the infrastructure required to support population growth.
- We will be completing the widening of Bateup Road to cater for the increasing vehicles, bikes and pedestrians from the developing subdivisions.
- We will continue to develop Tasman's Great Taste Trail through to Kohatu.
- Design work will be undertaken for the Pohara to Takaka shared walking and cycling pathway in the forthcoming year, ahead of the physical work commencing in 2019/2020.
- We have significant work planned for Mapua, to improve the water and wastewater reticulation and pumping capacity, and extend the stormwater pipe at Stafford Drive to alleviate localised flooding.
- We will commence flood mitigation planning for the Motueka and Riwaka rivers which is expected to continue in to the 2019/2020, with the works needed to act on it being considered in the next LTP.
- Catchment Management Planning in Richmond that commenced in 2017/2018 will be completed and also be undertaken in Motueka to help us better plan for the management of stormwater in these towns.
- We plan to develop the land we have purchased at Neds Creek in Murchison to create a bund along the northern bank to help prevent potential flooding of houses in Hampden Street.
- We will be increasing our efforts to reduce inflow and infiltration of the wastewater pipe network and developing strategic plans for the wastewater networks in Waimea and Motueka.
- The Four Winds (Pohara) wastewater pump station will be upgraded to keep pace with population growth and reduce the risk of overflows.
- Over the next two years we will be developing a new water treatment plant at Spring Grove to treat water to the New Zealand Drinking Water Standards for the Wakefield area.
- A new water treatment plant will also be developed at Parker Street in Motueka to meet the Drinking Water Standards.
- We will be upgrading the Takaka Resource Recovery Centre – moving the waste disposal to the lower level, making it quicker, easier and safer when dropping off your recycling. We'll also be installing a new weighbridge to give more accurate charging for users.
- We will begin developing our active transport (walking and cycling) strategy to meet the needs of our communities and to make improvements to encourage active modes as realistic forms of transport.

These are a sample of the projects we have planned and is not an exhaustive list. If you want to know what is planned for your area visit the settlement area reports and maps or the Activity Management Plans on our website

[www.tasman.govt.nz](http://www.tasman.govt.nz)

# PART2

## COUNCIL VISION AND COMMUNITY OUTCOMES

# TASMAN DISTRICT COUNCIL'S VISION:

**THRIVING COMMUNITIES ENJOYING THE TASMAN LIFESTYLE**

# TASMAN DISTRICT COUNCIL'S MISSION STATEMENT:

**TO ENHANCE COMMUNITY WELLBEING AND QUALITY OF LIFE**

## COMMUNITY OUTCOMES

Community Outcomes are the outcomes Council is working towards in order to promote community wellbeing. They reflect what Council sees as important for community wellbeing and they help to build up a picture of the collective vision for the District's future – how we would like Tasman District to look and feel in 10 years and beyond. They also inform Council decision making and the setting of priorities.

As part of the development of the LTP 2015-2025, Council worked together with Nelson City Council to align the Community Outcomes of both Councils. The resulting set of joint Community Outcomes retain the overall direction of the previous Outcomes, however 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. Everyone's views on describing how our District would look if we achieved these Outcomes will be slightly different, but we have put a description below each Outcome to help you understand what we are working towards.

### OUTCOME 1

#### OUR UNIQUE NATURAL ENVIRONMENT IS HEALTHY AND PROTECTED

- Tasman is a place where everyone can enjoy the natural environment, while it is protected for the future;
- we recognise the importance of a healthy environment for tourism and productive land uses, and the need to minimise the impacts of human activities on the environment;
- we manage air quality, waste, freshwater and coastal waters;
- we treasure, protect and restore the special places, landscapes, native species and natural ecosystems of Tasman;
- natural biodiversity is widely understood and valued;
- the value of introduced species is recognised and pests are controlled;
- open spaces are linked and productive land is protected;
- we undertake an extensive monitoring programme of the environment, including air, water and soil health;
- we also provide and monitor resource consents and, if necessary, prosecute any breaches; and
- the intergenerational kaitiakitanga (guardianship) of tangata whenua iwi is recognised; the community understands the concept and is involved in caring for ngā taonga tuku iho (treasure of the ancestors).

### OUTCOME 2

#### OUR URBAN AND RURAL ENVIRONMENTS ARE PEOPLE-FRIENDLY, WELL PLANNED AND SUSTAINABLY MANAGED

- our current and future urban and rural living environments provide the important features that we need to enjoy Tasman;
- urban and rural areas are designed to be people friendly, particularly for children, families and our increasing, ageing population;
- we think and plan regionally and act locally within that context;
- our built environments are well planned and based on sound urban design principles;
- urban areas are attractive, safe, accessible and have parks and reserves available for residents to use;
- Tasman has affordable roading services that meet the needs of our communities; and

- there is a range of community housing and community facilities, with more intensification in towns/settlements and clear urban/rural boundaries.

### **OUTCOME 3**

#### **OUR INFRASTRUCTURE IS EFFICIENT, COST EFFECTIVE AND MEETS CURRENT AND FUTURE NEEDS**

- we have good quality, sustainable, integrated, affordable, efficient and effective transportation networks (including roads, cycleways and footpaths), water, wastewater, stormwater and solid waste services;
- waste and pollution is minimised, so we have clean water, clean seas, clean air, healthy flora, fauna and soils, and public health needs are met;
- growth is well managed; and
- our public transport services are well-utilised and our developing cycleway network is popular with residents and visitors alike.

### **OUTCOME 4**

#### **OUR COMMUNITIES ARE HEALTHY, SAFE, INCLUSIVE AND RESILIENT**

- we support the opportunities for Tasman residents to enjoy a good quality of life;
- we are a supportive and diverse community;
- everyone is included and involved, can participate in decision-making and is able to enjoy a good quality of life, wherever they come from and whatever their age, abilities or income;
- we are a resilient community with a Civil Defence service that assists residents and businesses to cope with disasters or emergencies; and
- our communities health and wellbeing is safeguarded by ensuring standards of construction, food safety and registered premises operation are met, and that alcohol sale and consumption, risk from fire and nuisances (e.g. from dogs and stock) do not adversely affect quality of life.

### **OUTCOME 5**

#### **OUR COMMUNITIES HAVE OPPORTUNITIES TO CELEBRATE AND EXPLORE THEIR HERITAGE, IDENTITY AND CREATIVITY**

- we have a strong sense of community and are proud of our region, our communities and our diverse heritage;
- important heritage items, sites and stories of the District are protected for future generations;
- residents and visitors have opportunities to celebrate Tasman's heritage and support cultural diversity;
- we celebrate and acknowledge our heritage and our history and how that contributes to our distinctive identity;
- we tell our whakapapa (history) in an honest way and acknowledge the lessons that history has taught us;
- Māori culture and tikanga (traditions) are acknowledged as taonga (treasures) that represent our regional uniqueness;
- we value and support those things that make Tasman special and unique – our Maori history, our people, art and crafts, the outdoors, local food and wines and the relaxed atmosphere;
- the two marae in Tasman are an important part of our District's cultural services and these are essential to our community identity; and
- access to the coastal waters of Tasman is secured and safe boating practice is supported.

### **OUTCOME 6:**

#### **OUR COMMUNITIES HAVE ACCESS TO A RANGE OF SOCIAL, EDUCATIONAL AND RECREATIONAL FACILITIES AND ACTIVITIES**

- we have a good range of sports and recreation facilities for all ages, including youth and older residents;
- there is a wide range of recreation, educational and leisure opportunities for everyone to take part in;
- we support and encourage all culturally diverse groups to demonstrate their unique recreational activities to the wider community; and
- there are many festivals and events held throughout the year in the Nelson/Tasman regions.

### **OUTCOME 7:**

#### **OUR COUNCIL PROVIDES LEADERSHIP AND FOSTERS PARTNERSHIPS, A REGIONAL PERSPECTIVE, AND COMMUNITY ENGAGEMENT**

- we work together effectively as a region, think of the generations that will follow and listen to the full range of views;
- everyone has the opportunity to participate in the community's major decisions and information is easy to obtain;
- leaders consult with and understand their communities and work for the good of all, including the wider region;
- our leaders take responsibility for their decisions and act to improve the big issues facing our community;

- we continue to collaborate with community organisations and build effective Council-community partnerships; and
- we support and mentor our youth to become the leaders of the future.

**OUTCOME 8:****OUR REGION IS SUPPORTED BY AN INNOVATIVE AND SUSTAINABLE ECONOMY**

- we all participate in the regional economy and it meets people's needs;
- we are a business-friendly region, and economic activity is sensitive to the environment, heritage and people of Tasman;
- we are skilled and adaptable and we see the benefits of a wide range of high-value industries and businesses;
- small, locally-owned businesses are an essential part of the community;
- we encourage appropriate new investment into our community;
- our youth can live, learn and work in Tasman; and
- we recognise, support and celebrate innovation and achievement.

# PART 3

## ROLES, COMPLIANCE AND AUDIT STATEMENT

# THE ROLE OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

We are required to produce an Annual Report each year to account for the money provided by ratepayers, financial institutions and other Government agencies.

The Annual Report is also an important tool for showing how our community outcomes 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 LTP 2015 – 2025. The LTP 2015 – 2025 was adopted by Council on 25 June 2015, after considerable consultation with ratepayers and interested others. In 2016 an amendment was made to the LTP 2015-2025, following further consultation, to recognise changes to the Solid Waste activity. This is the second Annual Report prepared under the LTP 2015 – 2025.

Many of the ways in which this information is presented are governed by legislation and standard accounting practices. However, we recognise 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 report from the Mayor and Chief Executive Officer provides 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.

We thank you for your interest in our activities and our leadership role in developing Tasman District.

## STATEMENT OF COMPLIANCE AND RESPONSIBILITY

### COMPLIANCE

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

The Council and management of Tasman District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.

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.

In the opinion of the Council and management of Tasman District Council, the annual financial statements for the year ended 30 June 2016 fairly reflect the financial position, operations and service performance of Tasman District Council.

**R G Kempthorne**  
Mayor

**J W Dowding**  
Chief Executive Officer

**M Drummond, CA**  
Corporate Services Manager

## HOW THE ANNUAL REPORT FITS INTO COUNCIL'S OVERALL PLANNING FRAMEWORK





# INDEPENDENT AUDITOR'S REPORT

To be added after adoption. Allow three pages

# PART 4

## FINANCIAL AND NON-FINANCIAL PERFORMANCE

# STATEMENTS OF OBJECTIVES AND SERVICE PERFORMANCE

The service goals and objectives form the basis of our operations in the provision of works and services for the District. Council's groups of activities may be broadly categorised as follows:

- **ENVIRONMENT AND PLANNING**
- **ENGINEERING SERVICES**
- **COMMUNITY DEVELOPMENT**
- **GOVERNANCE**
- **COUNCIL ENTERPRISES**

Within each group of activities there may be a number of smaller activities, for example Environment and Planning includes Public Health and Safety, Building Control, Environmental Health, Animal Control, Civil Defence Emergency Management, Rural Fire Support Services, Maritime Safety and Parking Control.

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 on 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 were completed by 30 June 2018. 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 a 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, we follow 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 in accordance with the relevant maintenance programme.

#### LEGISLATIVE AND FINANCIAL COMPLIANCE

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

#### ACTIVITY 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 our LTP 2015 – 2025, we included survey measures as a measure of progress toward the achievement of our objectives, as well as checking residents' levels of satisfaction with the services we provide. We report on these measures using data from the annual 'Communitrak Survey' – a survey of residents undertaken independently by the National Research Bureau.

#### FUNDING IMPACT STATEMENTS (FIS)

A FIS has been prepared for each activity in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. This is a reporting requirement unique to local government and the disclosures contained within and the presentation of this statement is not prepared in accordance with generally accepted accounting practices (“GAAP”).

This statement is based on cash transactions prepared on an accrual basis and as such does not include non-cash/accounting transactions that are included within the Comprehensive Revenue and Expense Statement as required under GAAP. These items include but are not limited to Council’s depreciation, gain and/or losses on revaluation and vested assets.

It also departs from GAAP as funding sources are disclosed based on whether they are deemed for operational or capital purposes. Revenue such as subsidies for capital projects, for example New Zealand Transport Agency subsidies projected to be received for road renewal works, development and reserve financial contributions and gains on sale of assets are recorded as capital funding sources. Under GAAP these are treated as revenue in the Comprehensive Revenue and Expense Statement.

# ENVIRONMENT AND PLANNING

## POLICY AND OBJECTIVE

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

## NATURE AND SCOPE

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

- Environmental Management
- Public Health and Safety

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. Undertaking Council's regulatory responsibilities such as building assurance, environmental health, animal control, civil defence are also included in these activities.

## ENVIRONMENTAL MANAGEMENT

### WHAT WE DO

Council's environmental management functions and responsibilities include:

- The provision of policy advice, including responses to national environmental requirements.
- The development and implementation of resource management policies and plans.
- Investigating significant environmental issues affecting or likely to affect the District.
- Maintaining an efficient resource information base to respond to environmental hazards, and to provide advice on environmental conditions and issues affecting the District.
- Assessing and processing resource consent applications and related compliance monitoring and enforcement.
- Processing development contributions assessments.
- Undertaking biosecurity (pest management) responsibilities including in the marine environment.

### WHY WE DO IT

Council undertakes its environmental management responsibilities in order to promote the sustainable management of Tasman District's resources and to manage the consequences of human activity on the environment. Many of Council's policies and plans are statutory documents required under legislation, Council's state of the environment monitoring and information work is undertaken to monitor progress to achieve environmental outcomes, to help target planning controls, consent conditions and education programmes, to identify new issues, and to provide information of use to farmers, businesses and the public. Council processes resource consent applications and undertakes compliance activities to reduce the impact of human activity on other people and the environment. Council's biosecurity activities help protect the environment from unwanted plant and animal pests and other biosecurity incursions.

### OUR GOAL

The Environmental Management activity goal is to effectively promote the sustainable management of the District's natural and physical resources by:

1. Identifying and responding to resource management policy issues and biosecurity risks in a manner that is effective, proportionate, and supported by the community generally.
2. Achieving a robust and cost effective approach to environmental monitoring and resource investigations that will provide a good understanding of the District's resources and the ability to assess environmental trends and manage risks to the environment.
3. Providing a sound and appropriate policy planning framework that will protect and enhance our unique environment, promote healthy and safe communities, and support business and enterprise.
4. Ensuring that plan development systems are administered in a way which meets the expected environmental outcomes identified in policy statements and plans.
5. Managing the statutory processes involved in a way that is fair, lawful, timely and efficient, and meets the expected environmental outcomes identified in policy statements and plans.
6. Improving use, development, and protection of the District's resources and minimising damage to the environment through minimising inappropriate practices or the incidence of pests and other threats to the

quality of the environment we enjoy.

7. Providing environmental information to enable sustainable, resilient, and productive communities within the District.

#### HOW THIS ACTIVITY CONTRIBUTES TO COUNCIL'S COMMUNITY OUTCOMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our unique environment is healthy and protected.	By 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.
Our urban and rural environments are people-friendly, well-planned and sustainably managed.	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 overtime would degrade the environment or place resources under pressure, keeps Tasman special.
Our infrastructure is efficient, cost effective and meets current and future needs.	<p>By managing animal and plant pests, working with landowners and others to protect biodiversity, soil and water sustainability, and educating to encourage responsible environmental behaviours, we seek to ensure Tasman remains special.</p> <p>By ensuring consent approvals for the development and use of the environment promote sustainable management of natural and physical resources. Where necessary, conditions can be imposed (and monitored) that regulate activities which overtime would degrade the environment or place resources under pressure.</p> <p>By ensuring that living environments are pleasant, safe, and that the activities of others do not adversely impact on citizens' lives and are appropriate in location and scale.</p> <p>By monitoring and investigating the state of the environment and the trends, risks, and pressures it faces, we can make better decisions and have in place policies and plans that contribute to this outcome.</p> <p>By educating people and providing them with information to enable them to live more sustainably and to be more resilient.</p> <p>By having in place effective resource planning processes which ensure infrastructure provision is appropriate, efficient, and available to meet the demands of the community.</p> <p>By promoting best practice and efficiency measures in the design and use of important utility services.</p>
Our communities are healthy, safe, inclusive and resilient.	<p>By having in place processes which safeguard the community's health and wellbeing and which ensure resource use and human activities affecting resources do not adversely affect quality of life or community well-being.</p> <p>By maintaining an effective flood warning system and working to identify contamination risks which are designed to promote safety of people and community well-being.</p>
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	By identifying heritage values of significance to the District and having in place a framework for protecting and enhancing these values, including sites which are important to iwi.
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	<p>Public participation is provided for in the processes of developing and administering policies and plans under the Resource Management and Biosecurity Acts.</p> <p>We make environmental information available and work with groups in the community to help them make environmentally sound decisions.</p>

## HOW THIS ACTIVITY CONTRIBUTES TO COUNCIL'S COMMUNITY OUTCOMES (CONT.)

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our region is supported by an innovative and sustainable economy.	<ul style="list-style-type: none"> <li>• Policies, plans and information help identify opportunities for economic development and potential hazards and constraints affecting such opportunities.</li> <li>• 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.</li> <li>• Resource consents can facilitate economic development opportunities and compliance monitoring can ensure fair and equal opportunities for all.</li> <li>• We encourage people to adopt best practice in relation to their use of resources such as land, water, air, and the coast.</li> </ul>



## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>An appropriate policy framework that effectively promotes the sustainable management of the District's natural and physical resources by: identifying and responding to resource management policy issues; and providing a sound and appropriate policy planning framework that will protect and enhance our unique environment and promote healthy and safe communities.</p>	<p>At least 70% of respondents are fairly or very satisfied with Council's resource management policy and planning work, as measured via the annual resident's survey. (Target: 70%.)</p>	 <p>Residents' Survey results for 2018 show 51% of residents are fairly satisfied or very satisfied with environmental planning and policy and 32% are not very satisfied.</p> <p>The main reasons residents are not very satisfied with environmental planning and policy are:</p> <ul style="list-style-type: none"> <li>• issues with dams,</li> <li>• housing developments/too many subdivisions, and</li> <li>• pollution of rivers/streams/poor water quality</li> </ul> <p>These are all highly contentious issues that are currently being worked through. In the case of housing and water quality there are some strong tensions between community expectations and national policy directives from central government that is likely to be contributing to lower levels of satisfaction.</p> <p>These results compare with 59% satisfied or very satisfied in 2016/2017 and 23% not very satisfied.</p> <p><b>See Figure 8 Satisfaction with Council's Environmental Policy and Planning Work on page 58.</b></p>
<p>Monitoring of environmental trends and conditions and reporting systems that protect and inform the community about environmental conditions, changes and risks.</p>	<p>Council meets the Air Quality National Environmental Standard (NES) by 2020 (i.e. no more than one day per year when air quality is &gt; 50 µg/m<sup>3</sup> PM<sub>10</sub>). (Target: Number of exceedances of the Air Quality National Environmental Standard is no more than three.)</p>	 <p>Initial indications were that we breached our target of no more than three exceedances, by having a fourth apparent breach over the 2017 winter period. This was reported to Council at the 9 November 2017 meeting. However following an external audit of the calibration data used, it was found that there were in effect only two exceedances of the trigger level. This was communicated to Council at their 14 June 2018 meeting and picked up by the local media. This compares with five exceedances in the 2016 winter period.</p> <p><b>See Figure 9 Number of Exceedances &amp; 2<sup>nd</sup> Highest 24 HR PM<sub>10</sub> for Richmond Central on page 58.</b></p>



LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Monitoring of environmental trends and conditions and reporting systems that protect and inform the community about environmental conditions, changes and risks (cont.)	Air quality at the Richmond Central monitoring site will be reported on Council's website, including any air quality breaches.	 <p>Council's website was in operation throughout the year with data updated on a continuous cycle. Additionally the LAWA website was given a continuous data feed to record the Tasman information on the national platform.</p> <p>This target was fully achieved in 2016/2017.</p>
	<p>One issue based State of the Environment report to be released each year.</p> <p>(Target one report released by 30 June.)</p>	 <p>State of the Environment Land was released and considered at 3 August 2017 Environment and Planning Committee meeting.</p> <p>Fine Scale monitoring for the Motupipi Estuary was completed in June and the report is ready for release. This will be formally reported, along with reporting related to the Whanganui Estuary, to the Environment and Planning Committee later in 2018.</p> <p>The SOE report for Tasman's freshwater fish is in draft and awaiting sign-off for release.</p> <p>This target was fully achieved in 2016/2017.</p>
	An annual Recreational Bathing Water summary report is drafted and reported to Council or a Committee by 31 July each year.	 <p>Key staff were unavailable to complete the delivery of the annual report. Monitoring and information management continued uninterrupted throughout the summer season. January and February 2018 were notably wet and several storms (most notably ex-cyclones Fehi and Gita) led to a decline in the suitability for contact recreation during the latter part of the season.</p> <p>This target was achieved within 5% in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Monitoring of environmental trends and conditions and reporting systems that protect and inform the community about environmental conditions, changes and risks (cont.)</p> <p>We provide a responsive and efficient process for assessing resource consent applications and ensuring compliance obligations are fairly and appropriately enforced.</p>	<p>Swimming beaches and rivers are suitable for contact recreation, all or most of the time.</p> <p>(Target 1: 98% of swimming beaches and rivers are suitable for contact recreation using fine weather sample; and</p>	 <p>We fell below our target achieving only 88.6% rate of compliance using fine weather samples. The majority of fine weather exceedances were related to a limited number of sites. One in particular, Tukuruu, has a permanent sign due to sporadic spikes from an unidentifiable source.</p> <p>This compares with a compliance rate of 98.6% in 2016/2017.</p>
	<p>Target 2: 92% of swimming beaches and rivers are suitable for contact recreation using all weather samples.)</p>	 <p>In all weather, the rate of compliance was 83.3% overall. A particularly wet January and February and two ex-cyclones explain some of this result.</p> <p>This compares with a compliance rate of 94.4% in 2016/2017.</p>
	<p>At least 85% of survey respondents rate their satisfaction with Council's resource consent processing work as fairly satisfied or better.</p> <p>Consent applications are processed within statutory timeframes (where they exist). Target: Publicly Notified consents 100%</p>	 <p>In 2018, 82% of survey respondents indicated they were satisfied or very satisfied with Council's service. This compares with 68% of residents satisfied or very satisfied and 32% not satisfied in 2016/2017.</p> <p><b>See Figure 10 Resource Consent Processing Satisfaction Rate on page 59.</b></p>  <p>97% (37) of publicly notified applications were processed within statutory timeframes, and 3% (1) went over time.</p> <p>This compares with 100% in 2016/2017</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide a responsive and efficient process for assessing resource consent applications and ensuring compliance obligations are fairly and appropriately enforced (cont.).</p>	<p>Target: Non-notified consents 100%</p>	 <p>89% of non-notified applications were processed within non-statutory timeframes, the other 11 % (4) were subject to delays, mainly due to staff shortages over the year.</p> <p>This compares with 95% in 2016/2017</p>
	<p>Target: Limited notified consents 100%</p>	 <p>81% (17) of limited notified applications were processed within statutory timeframes while the other 19% (4) were subject to short delays in issuing their decisions.</p> <p>This compares with 100% in 2016/2017</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide a responsive and efficient process for assessing resource consent applications and ensuring compliance obligations are fairly and appropriately enforced (cont.).</p>	<p>An annual report is prepared and presented to Council or a Council committee each year. This report details the level of compliance with consent conditions or plan rules for those undertaking activities under resource consents or permitted activities, as described under tailored monitoring programmes.</p> <p>(Target: Annual report tabled to Council or a Council committee by 31 October, showing that all resource consents that are monitored are assigned appropriate compliance performance grades.)</p>	<div data-bbox="986 367 1252 506" data-label="Figure"> </div> <p>Over the 2017/2018 year, we achieved our target through active monitoring and reporting on 1,505 resource consents and targeted permitted activities occurring in our district*.</p> <p>The Annual Compliance and Enforcement summary report will be released on 6 September 2018</p> <p>This target was fully achieved in 2016/2017.</p> <p>Where we detected non-compliance, action was taken in accordance with our Enforcement Policy, which ranged from education and advice through to enforcement action. While we dealt with many minor matters through warnings and infringements, the year saw some significant and successful enforcement actions concluded in the Environment Court.</p> <p>*We do not monitor all resource consents that are granted in a calendar year. Instead, we undertake a targeted monitoring programme that reflects Council's monitoring strategy for resource consents and permitted activities. This allows for structured and consistent effects based monitoring of resource consents. Our monitoring is prioritised according to a set of key factors including risk to the environment, level of public interest, regional and national policy objectives. Monitoring may also be targeted where Council requires a comprehensive understanding of the performance of a sector in order to assess and report on risk. Operating a targeted monitoring programme allows for efficient use of the department's limited staff resources.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide a responsive and efficient process for assessing resource consent applications and ensuring compliance obligations are fairly and appropriately enforced (cont.).</p>	<p>Where significant non-compliance is recorded, that resolution is achieved within appropriate timeframes. (Target 1: 80%, are resolved within nine months and;</p>	<div data-bbox="986 360 1257 495" data-label="Figure"> </div> <p>For the resource consents that were monitored during this 12 month period twelve received a grade of significant non-compliance that required direct enforcement action.</p> <p>All (100%) of these were resolved quickly and within the nine-month period.</p> <p>This compares with 100% resolved within 9 months in 2016/2017</p> <p><b>See Figure 11 Resource Consent Compliance Rating on page 59.</b></p>

## LEVELS OF SERVICE (WE PROVIDE)

## WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF

## CURRENT PERFORMANCE

We provide a responsive and efficient process for assessing resource consent applications and ensuring compliance obligations are fairly and appropriately enforced (cont.).

Target 2: 95% within 12 months.)



Given the low numbers of significant non-compliance and the quick resolution there were no matters outstanding beyond the nine month period, meaning 100% were also resolved within 12 months.

This compares with 100% resolved within 12 months in 2016/2017.

	NUMBER OF ACTIONS 2017/2018	NUMBER RESOLVED WITHIN 12 MONTHS (number resolved within 9 months)
Non-compliances rescored and resolved this current period.	12	12 (12)
Non-compliances carried over from the previous year subject to measure*	0	0
Non-compliances with nine and 12 month deadline beyond this reporting period**	0	0
<b>Total</b>	<b>12</b>	<b>12 (12)</b>

\*Significant non-compliances carried over from the previous year report where those non compliances that were identified in that period, but resolution dates fell beyond.

\*\*Represents significant non-compliances recorded in the reporting period, not yet resolved and where the nine and 12 month measures fall beyond this current reporting period. These will be reported in our next annual report.

**See Figure 11 Resource Consent Compliance Rating on page 59.**

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide a responsive and efficient process for assessing resource consent applications and ensuring compliance obligations are fairly and appropriately enforced (cont.).</p>	<p>An annual report is prepared and presented to Council committee or Council meeting on Water Metering Compliance detailing the performance of consented and permitted activity ground and surface water abstractions requiring monitoring as defined in the Tasman Resource Management Plan. (Target: Annual report tabled to Council or a Council committee by 31 October.)</p>	<div data-bbox="995 398 1262 533" data-label="Figure"> </div> <p>The 2017/2018 water metering report was presented to the 26 July 2018 Environment &amp; Planning Committee meeting.</p> <p>The season started under dry conditions and the Dry Weather Taskforce was ultimately required to meet seven times over the season to impose or continue restrictions under section 329 of the Resource Management Act 1991. Stage 2 rationing was imposed on the Waimea water zones for a number of weeks in response to declining groundwater. The dry period also forced a number of water users to apply for discrete allocation sharing arrangements to cover water needs and these were approved if possible however, these water users were informed they would have to apply for formal allocation sharing in the future.</p> <p>Water consents administered under the water metering project in the 2017/2018 irrigation season increased from 1,461 to 1,467. There were 854 water users active and filing water usage data, 118 who had notified Council they were not taking water and 111 domestic water takes in the Moutere. There were also 259 consent holders required to install meters this year that were monitored for progress.</p> <p>A new water monitoring database was implemented at the start of the season. This included a change to the user interface for those submitting electronic data. Going live went smoothly with only minor alterations undertaken as the season progressed. The change in the interface required Council to spend a lot of time assisting water users to submit their data. This database also provides better monitoring and reporting.</p> <p>During the season 100 consent holders recorded breaches of their weekly water allocation limit. Of the 109 instances where this occurred, 37 were not actual overtakes but calculation errors due to such things as allocation sharing or missing weekly readings. A further 31 were within the 5% threshold</p>

## LEVELS OF SERVICE (WE PROVIDE)

## WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF

## CURRENT PERFORMANCE

of their authorised limit and not subject to any action under the current policy.

The remaining 41 were confirmed as unauthorised over takes. This was undertaken by 23 consent holders. Enforcement staff have made contact with each of those water users and investigated the reason for the non-compliance. Each excess water take was assessed and appropriate enforcement action taken. Enforcement action included noting for future reference, formal written warnings, infringement fines and abatement notices.

This target was fully achieved in 2016/2017.

An annual Dairy Monitoring report is prepared detailing the performance of the District's dairy farms against the Council's dairy effluent discharge rules and Clean Streams Accord targets. (Target: 100% fully compliant.)



We presented the 2017/2018 Annual Dairy Effluent Discharge report to the 26 July 2018 Environment & Planning committee.

The report disclosed that in the 2017/2018 season, 134 dairy sheds had active discharges in the Tasman District. Of those 129 farm dairies operated as permitted Activities and the remaining five held Resource Consents to discharge treated effluent to water, although four of these five also applied effluent to land.

Unfortunately, the Council's commitment to 'all farms inspected each year' could not be achieved this season due to the impacts from ex-cyclone Gita severely restricting access to Golden Bay. This meant that a number of farms in this area could not be inspected before the close of the season. Despite the interruption we did manage to inspect 72% of the district's farms, including all the central and southern regions.

Of the farms inspected, each was assessed against either resource consent conditions for the discharge of treated dairy effluent to water, or against the Permitted Activity Rule 36.1.2.3 (the discharge of animal effluent to land), whichever was applicable for the activity.

The level of compliance for the 96 farms inspected was high. The results were reported as:

- 94% Compliant;

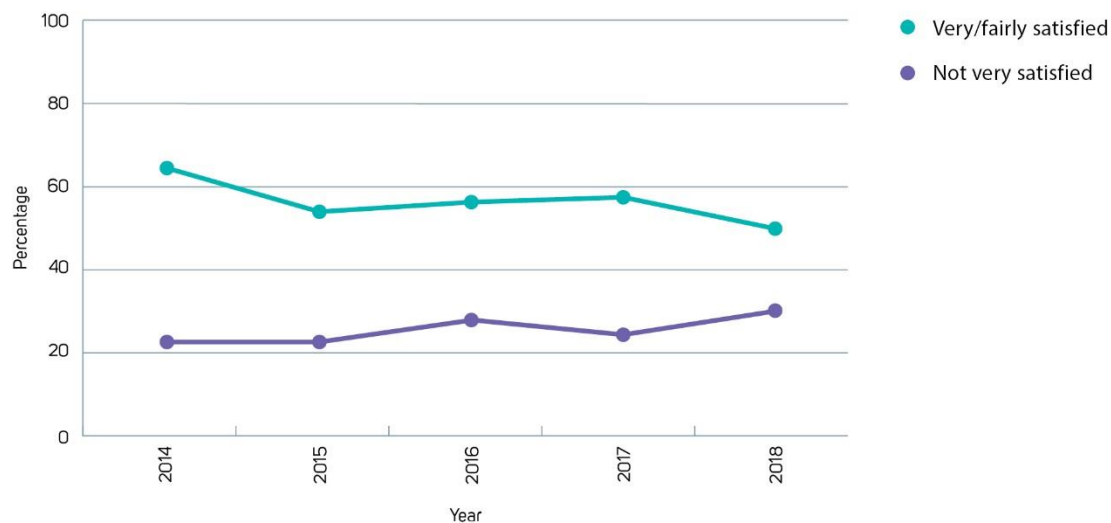


LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE										
<p>We will implement the provisions of the Regional Pest Management Strategy in Tasman and in Nelson to ensure that pests included in the Strategy are managed to minimise their impact on our productive sector and our natural areas.</p>	<p>Timely reporting of pest management operations in accordance with requirements of the Biosecurity Act. (Target: Annual report tabled to Council or a Council committee by 30 November.)</p>	<ul style="list-style-type: none"> <li>• 6% Non-compliant; and</li> <li>• 0% Significantly non-compliant.</li> </ul> <p>This compares with 93% Compliant, 4% Non-compliant and 3% Significantly non-compliant in 2016/2017.</p> <p>As with previous years, there is a continuing trend of Tasman farmers maintaining a high level of compliance and the 2017/2018 season was no exception. This high standard can be attributed to the commitment of most farm owners and their staff to employ best farm practices with respect to the disposal of farm dairy effluent. Council has also put a great deal of effort into education and advice and taking appropriate action to address issues where these have arisen.</p> <p><b>See figure 12 Dairy Farm Compliance on page 60.</b></p> <div data-bbox="986 994 1257 1128" data-label="Figure"> <table border="1"> <caption>Figure 12 Dairy Farm Compliance Data</caption> <thead> <tr> <th>Performance Level</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Fully Achieved</td> <td>93%</td> </tr> <tr> <td>Achieved Within 5%</td> <td>4%</td> </tr> <tr> <td>Not Achieved</td> <td>3%</td> </tr> <tr> <td>Not Measured</td> <td>0%</td> </tr> </tbody> </table> </div> <p>The Regional Pest Management Strategy Annual report on the Operational Plan and the Proposed 2017-2018 Operational Plan were reported to Tasman District Council on 9 November 2017.</p> <p>The Regional Pest Management Plan Proposal 2017-2027 was publicly notified on 4 November 2017 thus achieving notification before the expiry date of the existing Regional Pest Management Strategy. This allowed the Strategy to continue in force until the new Plan Proposal has completed its statutory process and is formally made a Plan.</p> <p>This target was fully achieved in 2016/2017.</p>	Performance Level	Percentage	Fully Achieved	93%	Achieved Within 5%	4%	Not Achieved	3%	Not Measured	0%
Performance Level	Percentage											
Fully Achieved	93%											
Achieved Within 5%	4%											
Not Achieved	3%											
Not Measured	0%											

Of the 17 Environmental Management performance targets, nine were fully achieved and two were achieved within 5%. For the six targets that weren't achieved, the effects of ex-cyclone Fehi and a lack of available staff were partly to blame.

**Figure 8**

Satisfaction with the Council’s Environmental Policy and Planning Work

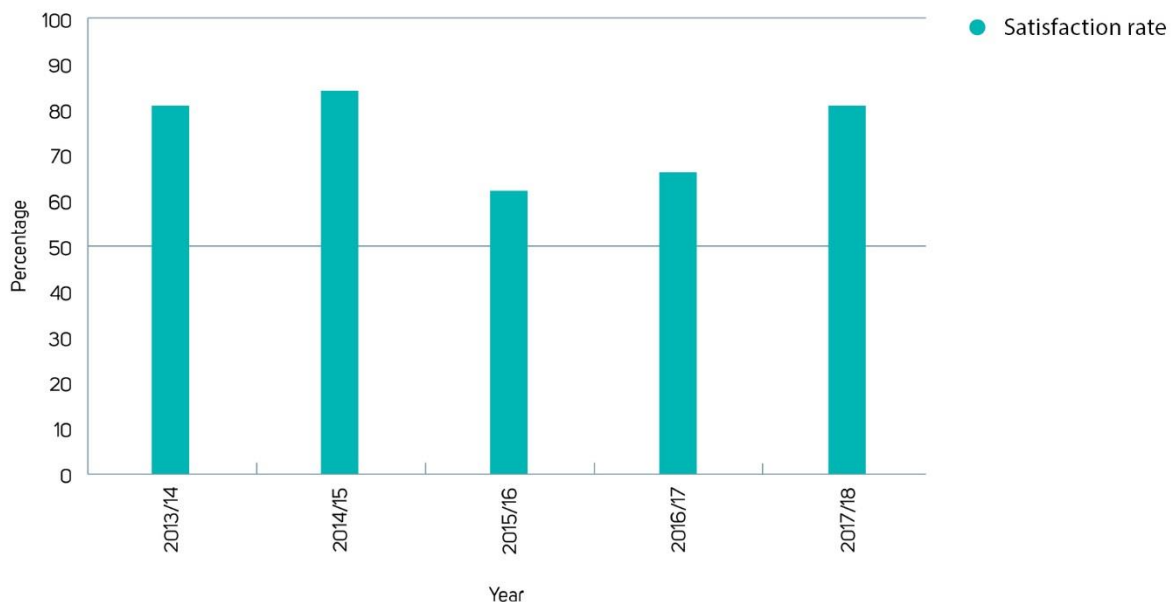


**Figure 9**

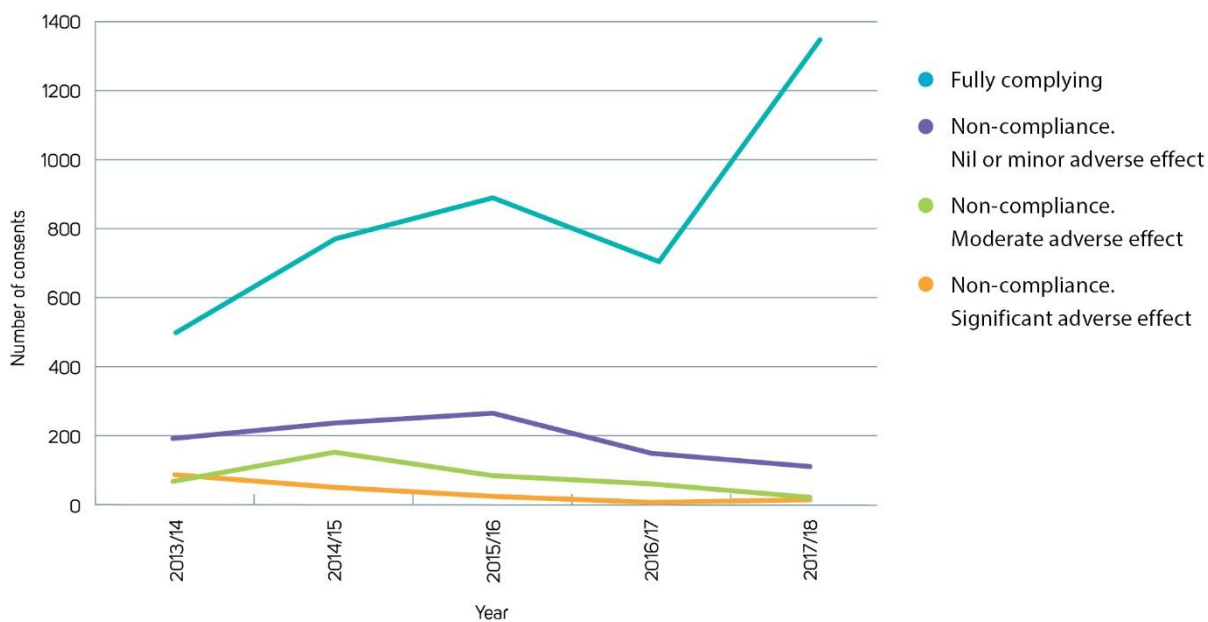
Number of Exceedances and 2nd Highest 24hr PM<sub>10</sub> for Richmond Central



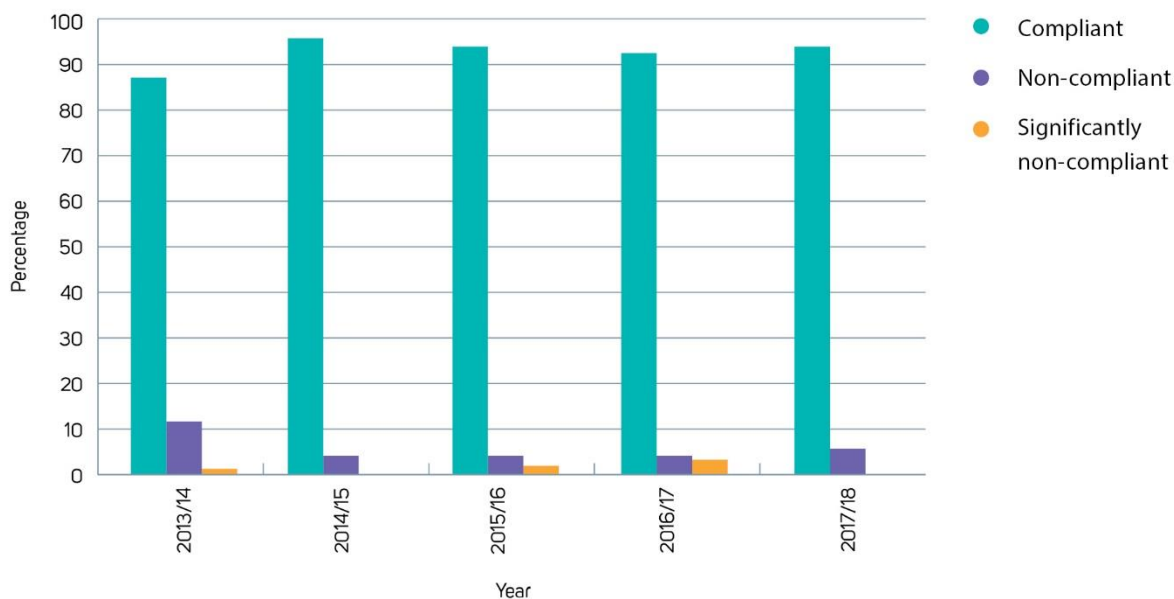
**Figure 10**  
Resource Consent Processing Satisfaction Rate



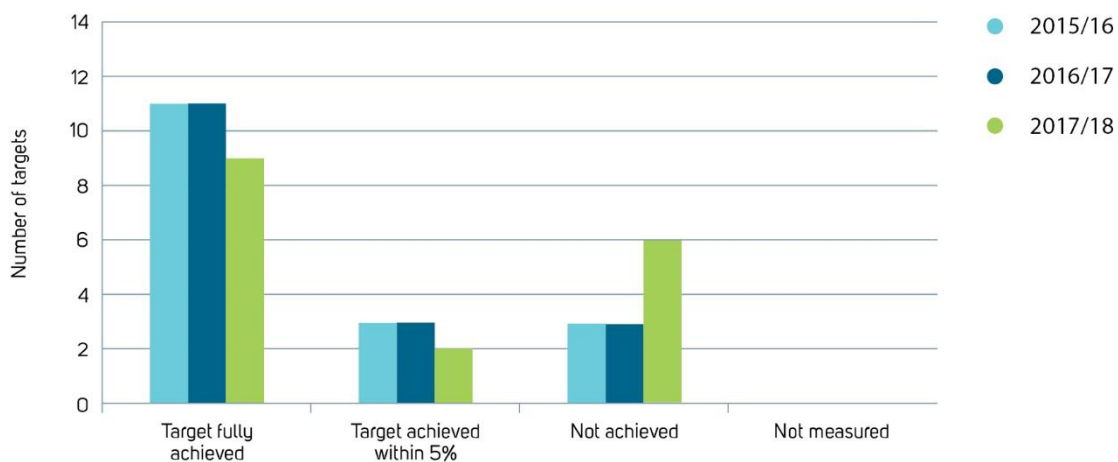
**Figure 11**  
Resource Consent Compliance Rating



**Figure 12**  
Dairy Farm Compliance



**Figure 13**  
Environmental Management Performance Measures  
Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

PLANNED	ACTUAL 2017/2018
<p>Undertake environmental monitoring of the District's resources, state of the environment reporting, hydrology and flood warning monitoring, and provision of environmental information.</p>	<p>Council now operates a total of 131 stations that continuously monitor the environment. The monitoring stations are shared for a variety of purposes, including resource assessment, water and air quality, compliance, planning, engineering design and flood warning.</p> <p>Of the 131 stations, 30 measure river flow, 49 rainfall, and 50 groundwater. In addition there are 2 sea level recorders, and 3 climate stations. Water quality is measured continuously for short periods at selected sites each summer, supplementing the water quality samples taken once a month at 26 stations. A key water resource station on the Wairoa River has been replaced due to access issues. Its replacement was by new stations on the 3 tributaries of that river immediately upstream of the old site. Tasman also provides support to Nelson City Council with its monitoring program.</p> <p>Flood warning continues to be an important task, and this year two ex-cyclones tested the warning systems in different ways. The first ex-cyclone generated a large storm surge which caused considerable erosion and property damage, and the second ex-cyclone caused considerable erosion from the upper Motueka Valley to Marahau, in addition to flood damage there and in parts of Golden Bay.</p> <p>Two further deep Moutere monitoring bores have been installed and are operational now. One in Mapua and one by O'Connors Creek Bridge. Their installation allows greater accuracy and wider knowledge of the ground water resource in those locations, leading to better aquifer management and more accurate water rationing step management. This will over time provide some important data in the near coastal area of the Moutere aquifers for better managing the deep aquifers.</p> <p>High tech equipment for monitoring clarity and various other parameters was deployed for several months from late last year to early 2018 at Te Waikoropupū Springs in Golden Bay. The deployment is complete and data confirm the continued excellent clarity of the spring's water.</p> <p>The dry November/December 2017 resulted in further monitoring to check for triggers in relation to river flows, groundwater levels and coastal salinity and advice to the Dry Weather Task Force.</p> <p>Kotahitanga mō te Taiao alliance was signed in September 2017. The Kotahitanga mō te Taiao Alliance is a concept which aims to help coordinate the achievement of landscape scale collaborative conservation projects across the Buller, Marlborough, Nelson and Tasman region. The drivers are to work collaboratively to achieve significant conservation gains by attracting resources for new work, growing synergy to more effectively achieve existing work and developing social, cultural and economic contributors to future proof the outcomes. Currently work is continuing on the development of an Alliance Strategic Plan as well as a small number of pilot projects.</p> <p>The Native Habitats Tasman programme is ongoing. To date 597 properties have been visited. Of those properties visited 559 have received final reports and 12 have draft reports. For the remainder reports are still in preparation or the landowners withdrew from the programme. The programme has been strengthened by the addition of a second ecologist (Mike Harding) which will allow faster progress to be made with property visits and reports and additional peer review of assessments to assist with consistency between sites.</p> <p>Staff have completed wetland site visits in the Buller region and are now focused on Golden Bay. At this stage we anticipate that we are approximately half way through the visits requested by land owners in the Golden Bay area and will still be some way off moving to the Motueka area. Staff continue to respond to requests, from across the district, in relation to compliance or presale confirmation of wetland extend.</p> <p>There has been ongoing monitoring of marine farm activities in accordance with their consent conditions and staff have continued to work with Cawthron on the Envirolink funded work developing a State of the Environment Monitoring Programme for Tasman and Golden Bay. This coming year will see a stakeholder workshop to try and achieve a coordinate approach to both consent and state of the environment monitoring.</p> <p>This year has also seen a significant contribution of time and money to the Te Waikoropupū Water Conservation Order hearing. Policy and Environmental Information staff spent a considerable amount of time on providing evidence to the special tribunal and also having to procure and</p>

PLANNED	ACTUAL 2017/2018																								
	support the services of expert witnesses engaged to support the Special Tribunal and ensure the applicant and the tribunal had the best available information and expertise in front of them.																								
Provide advice to potential applicants for resource consents and processing resource consent applications and development contribution notices.	Council continues to respond to enquiries and all other aspects of resource consent applications on an ongoing basis. As at 30 June 2018 we had completed the processing of 944 non-notified applications, with 89% complying with statutory timeframes (in 2017 the figure was 826 at 95%); and 59 notified or limited applications with 91.5% complying with statutory timeframes (in 2017 the figure was 48 at 100%). As at 30 June 2018, 2 appeals to the Environment Court have been resolved and 2 appeals await resolution (compared with 1 in 2017).																								
Undertake compliance activities to enforce planning rules, bylaws and resource consent conditions, and undertaking enforcement action when needed.	<p>The Compliance Department continues to carry out consent monitoring in accordance with the monitoring strategy, which targets activities in accordance with their risk to the environment. We continue to undertake annual surveys of the district's dairy farms and report on this. We also monitor the abstraction of ground and surface water and ensure consent holders comply with their allocation limits. Council also spends a lot of time working with other users of our natural resources and monitoring compliance with their consents. A lot of effort is put into ensuring activities don't create adverse effects on our waterways, air quality and amenity. When activities are found to be non-complying council uses a range of tools to gain compliance from education right through to prosecution before the Court for serious cases. A summary of the councils activities in compliance and enforcement are published each year.</p> <p>Staff also provide a 24 hour seven day a week service responding to public complaints. All complaints are recorded and actioned accordingly. The following breakdown records the type of complaints received over the year.</p> <table border="0" data-bbox="416 1151 1342 1379"> <tbody> <tr> <td>Noise</td> <td>885</td> <td>Rivers</td> <td>23</td> </tr> <tr> <td>Land Use</td> <td>183</td> <td>Coastal</td> <td>28</td> </tr> <tr> <td>Discharges - Air</td> <td>318</td> <td>Rubbish Enforcement</td> <td>42</td> </tr> <tr> <td>Discharges - Water</td> <td>82</td> <td>Abandoned Vehicles</td> <td>328</td> </tr> <tr> <td>Discharges - Lane</td> <td>127</td> <td>Other</td> <td>523</td> </tr> <tr> <td>Water takes</td> <td>23</td> <td><b>Total</b></td> <td><b>2562</b></td> </tr> </tbody> </table> <p>(Compared with 2,389 in 2016/2017).</p> <p>The results show an increase of 273 complaints from the previous year. While most categories were up, if only slightly in some cases, 99 were instances of noise, 65 complaints about air quality, 51 abandoned vehicles and 40 discharges to land. Smoke from outdoor burning and odour accounted for the majority of the air complaints. The discharge to land was mostly sediment run-off and stormwater complaints.</p>	Noise	885	Rivers	23	Land Use	183	Coastal	28	Discharges - Air	318	Rubbish Enforcement	42	Discharges - Water	82	Abandoned Vehicles	328	Discharges - Lane	127	Other	523	Water takes	23	<b>Total</b>	<b>2562</b>
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Water takes	23	<b>Total</b>	<b>2562</b>																						
Undertake plant and animal pest management planning and operations, including in Nelson City through a contractual arrangement with Nelson City Council.	The Regional Pest Management Plan Proposal 2017- 2027 was publically Notified on November 4 <sup>th</sup> 2017 thus achieving notification before the expiry date of the existing Regional Pest Management Strategy. This allowed the Strategy to continue in force until the new Plan Proposal has completed its statutory process and is formally made a Plan.																								

PLANNED	ACTUAL 2017/2018																																							
<p>Implement the Environmental Policy work programme, including:</p> <ul style="list-style-type: none"> <li>reviews of, and changes to, the Tasman Resource Management Plan (TRMP);</li> <li>development plans for various settlements within the District;</li> <li>rural policy reviews (including subdivision and rural land use, landscape protection);</li> <li>land disturbance review;</li> <li>network services rules and design guidance development;</li> <li>water allocation reviews;</li> <li>riparian land management strategy;</li> <li>natural hazards strategic policy review;</li> <li>review of the Tasman Regional Policy Statement and consideration of combining it with the TRMP; and</li> <li>provision of policy advice</li> </ul>	<p>The past 12 months has seen significant change in the Environmental Policy team with the creation of two new positions. The new positions are a Growth Coordinator role in response to the impact that high rates of growth and increasing monitoring and reporting requirements from central government are having on the district and the Council itself. The second position was created in the Natural Resources team to increase capacity to progress freshwater and natural hazards work.</p> <p>Plan change highlights for 2017/18 are:</p> <table border="1" data-bbox="424 539 1385 1921"> <thead> <tr> <th>Title</th> <th>Change No. (where notified)</th> <th>2017/18 milestones</th> </tr> </thead> <tbody> <tr> <td>Brightwater strategic review</td> <td>57</td> <td>Council process complete – under appeal, appeals being resolved</td> </tr> <tr> <td>Rural land use &amp; subdivision policy review</td> <td>60</td> <td>Council process complete – under appeal, appeals being resolved via consent orders</td> </tr> <tr> <td>PPCR Wainui Bay</td> <td>61</td> <td>Environment Court interim decision received</td> </tr> <tr> <td>PPCR Commercial Richmond north (Progressive enterprises)</td> <td>62</td> <td>Plan change operative</td> </tr> <tr> <td>Waimea water transition management</td> <td>63</td> <td>Plan change operative</td> </tr> <tr> <td>Wakefield re-zoning following Change 58</td> <td>65</td> <td>Plan change operative</td> </tr> <tr> <td>Richmond Housing Choice</td> <td>66</td> <td>Hearings completed in April. Decisions to be release early July 2018</td> </tr> <tr> <td>Takaka FLAG</td> <td></td> <td>FLAG recommendations substantially complete. Manawhenua iwi reviewed FLAG work and provided mātauranga Maori report in June.</td> </tr> <tr> <td>Nelson-Tasman land development manual (NTLDM)</td> <td></td> <td>Draft NTLDM substantially complete. Draft NTLDM and draft plan change to be notified August 2018</td> </tr> <tr> <td>Omnibus plan change</td> <td></td> <td>Draft plan change completed. To be notified as proposed change in July 2018.</td> </tr> <tr> <td>NPSET - electricity transmission lines</td> <td></td> <td>Consultation on discussion paper completed. Plan change development ongoing.</td> </tr> <tr> <td>Golden Bay outstanding natural landscapes &amp; features</td> <td></td> <td>Draft plan change provided to iwi for comments (new RMA schedule 1 requirement). Further assessment required following Judges comments in PPCR Wainui Bay Environment Court decision.</td> </tr> </tbody> </table>	Title	Change No. (where notified)	2017/18 milestones	Brightwater strategic review	57	Council process complete – under appeal, appeals being resolved	Rural land use & subdivision policy review	60	Council process complete – under appeal, appeals being resolved via consent orders	PPCR Wainui Bay	61	Environment Court interim decision received	PPCR Commercial Richmond north (Progressive enterprises)	62	Plan change operative	Waimea water transition management	63	Plan change operative	Wakefield re-zoning following Change 58	65	Plan change operative	Richmond Housing Choice	66	Hearings completed in April. Decisions to be release early July 2018	Takaka FLAG		FLAG recommendations substantially complete. Manawhenua iwi reviewed FLAG work and provided mātauranga Maori report in June.	Nelson-Tasman land development manual (NTLDM)		Draft NTLDM substantially complete. Draft NTLDM and draft plan change to be notified August 2018	Omnibus plan change		Draft plan change completed. To be notified as proposed change in July 2018.	NPSET - electricity transmission lines		Consultation on discussion paper completed. Plan change development ongoing.	Golden Bay outstanding natural landscapes & features		Draft plan change provided to iwi for comments (new RMA schedule 1 requirement). Further assessment required following Judges comments in PPCR Wainui Bay Environment Court decision.
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PLANNED	ACTUAL 2017/2018	
	Coastal occupation charges and Mooring management review	Draft plan change and bylaw completed and provided to iwi for comment (new RMA schedule 1 requirement)
<p>Alongside the programme of plan changes, other projects include the uplift of residential deferred zone status in several locations providing further residentially and commercially zoned land for development.</p> <p>A raft of changes brought in by the passing of the Resource Legislation Amendment Act has had significant implications for the policy work programme. The new requirements to provide iwi with a draft of each proposed plan change for comment has meant current plan change projects have been delayed to allow adequate time for iwi to respond and for staff to consider the responses. This adds around three months to the timeframes for plan changes and highlights the need for improved Council-Iwi relations.</p> <p>Growth and demand for new housing continues to put pressure on Council resources. In August 2017 the Government gazetted eight new Special Housing Areas in Tasman that have the capacity to deliver in excess of 1200 new houses over the next five to eight years. New requests for SHAs continue to come in.</p> <p>The National Policy Statement for Urban Development Capacity (NPS) has brought with it a number of new monitoring and reporting requirements. There is an obligation under the NPS to work collaboratively with Nelson City to implement the NPS. A project to develop a combined Future Development Strategy with Nelson City has commenced with joint Councillor workshops. Regular monitoring and reporting requirements under the NPS are also ramping up. Publication of quarterly monitoring reports (joint with Nelson City) began in December.</p> <p>An amended National Policy Statement for Freshwater Management was issued in August 2017. It brought in a range of changes that require implementation, including:</p> <ul style="list-style-type: none"> <li>Increased recognition of Te Mana o te Wai</li> <li>National and regional swimming targets</li> <li>Clear requirement to discuss development of freshwater objectives with communities and iwi</li> <li>A range of additional monitoring and assessment requirements.</li> </ul> <p>The National Environmental Standards for Plantation Forestry were gazetted in July 2017 and come into force on 1 May 2018. The 70 plus pages of regulations control plantation forestry activities and replace most of the rules relating to forestry in the TRMP.</p> <p>Overall there has been a series of changes to the Environmental Policy work programme as the team prepares to scope a review of the Regional Policy Statement and the District Plan components of the TRMP in 2018/19.</p>		



## FUNDING IMPACT STATEMENT – ENVIRONMENTAL MANAGEMENT

LTP 2017 \$000	Actual 2017 \$000	Environmental Management	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
6,585	6,523	General rates, uniform annual general charges, rates penalties	7,219	7,220	6,729	100%
274	204	Targeted rates	192	185	266	104%
147	12	Subsidies and grants for operating purposes	49	21	152	233%
2,418	2,915	Fees and charges	2,558	2,606	2,495	98%
0	0	Internal charges and overheads recovered	0	0	0	0%
367	503	Local authorities fuel tax, fines, infringement fees, and other receipts	402	422	363	95%
<b>9,791</b>	<b>10,157</b>	<b>Total operating funding</b>	<b>10,420</b>	<b>10,454</b>	<b>10,005</b>	<b>100%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
5,442	5,694	Payments to staff and suppliers	6,292	5,812	5,545	108%
97	53	Finance costs	40	39	88	103%
3,837	3,767	Internal charges and overheads applied	4,200	4,188	3,971	100%
0	0	Other operating funding applications	0	0	0	0%
<b>(9,376)</b>	<b>(9,514)</b>	<b>Total applications of operating funding</b>	<b>(10,532)</b>	<b>(10,039)</b>	<b>(9,604)</b>	<b>105%</b>
<b>415</b>	<b>643</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(112)</b>	<b>415</b>	<b>401</b>	<b>-27%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
0	(89)	Development and financial contributions	0	0	0	0%
(146)	0	Increase (decrease) in debt	(84)	(84)	(146)	100%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0		Other dedicated capital funding	0	0	0	0%
<b>(146)</b>	<b>(89)</b>	<b>Total sources of capital funding</b>	<b>(84)</b>	<b>(84)</b>	<b>(146)</b>	<b>100%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
	0	Capital expenditure				
0	9	- to meet additional demand	0	0	0	0%
15	333	- to improve the level of service	16	56	16	29%
244	212	- to replace existing assets	351	371	229	95%
10	0	Increase (decrease) in reserves	(563)	(96)	10	586%
0		Increase (decrease) in investments	0	0	0	0%
<b>(269)</b>	<b>(554)</b>	<b>Total applications of capital funding</b>	<b>196</b>	<b>(331)</b>	<b>(255)</b>	<b>-59%</b>
<b>(415)</b>	<b>(643)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>112</b>	<b>(415)</b>	<b>(401)</b>	<b>-27%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

## PUBLIC HEALTH AND SAFETY

### WHAT WE DO

This activity involves the provision of advice and the discharge of statutory functions in the areas of public health, building, environmental health (including liquor licensing, food safety), hazardous substances, animal control, civil defence and emergency management, rural fire, parking control and maritime safety.

It involves assessing and processing permits and registration applications, the administration of bylaws, and associated monitoring and enforcement action.

### WHY WE DO IT

The activity contributes to the sustainable development of the Tasman District and the wellbeing of the community by ensuring that actions, or non-actions, taken by people in Tasman District are lawful, sustainable and safe.

Much of the work done within the activity is to protect public health and safety, and in response to central Government legislation.

While we do not have a choice about providing the services, there is some discretion over the manner and degree to which the functions are delivered. In the past, the rationale for our involvement has been influenced by whether:

1. The community has confidence in the service provided historically by us (and so we continue to provide the service).
2. We already provide the service, and to change the mode of delivery would be more costly and less effective.
3. The community expects that we will provide the service.
4. We consider that we can contribute to and/or enhance community wellbeing by providing the service.





### OUR GOAL


The goal of the Public Health and Safety activity is to:





1. See that development of the District achieves high standards of safety, design, and operation with minimum impact and public nuisance.
2. Offer excellent customer service in providing information on development and other opportunities.
3. Ensure permit and licensing systems are administered fairly and efficiently and in a way that will protect and enhance our unique environment and promote healthy and safe communities.

## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS AGAINST THEM.

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
We will provide building control services in a professional and timely manner to ensure building work is safe and in accordance with the New Zealand Building Code.	<p>Applications for building consent (BC) and code compliance certificates (CCC) are processed within statutory timeframes.</p> <p>(Target 1: 100% of Building Consents)</p>	 <p>99% of Building Consents were issued within the statutory timeframe in 2017/2018.</p> <p>This compares with 100% of Building Consents issued within statutory timeframe in 2016/2017.</p>
	<p>(Target 2: 100% of Code Compliance Certificates.)</p>	 <p>The target of 100% for Code of Compliance Certificates was not achieved, with 94% issued within the statutory timeframes in 2017/2018.</p> <p>This compares with 92% of Code Compliance Certificates issued within statutory timeframes in 2016/2017.</p>
	<p>The average time taken to process a Building Consent is 10 working days.</p>	 <p>An average time for processing Building Consents of 11 days in 2017/2018.</p> <p>This compares with an average time for processing Building Consents of 10 days in 2016/2017.</p>
	<p>We maintain Building Consent Authority Accreditation.</p>	 <p>All Building Consent Authorities are audited on a regular basis against a rigorous set of requirements. This is a critical part of our ongoing commitment to quality improvement. Reaccreditation as a Building Consent Authority was achieved in October 2017. The next reaccreditation is due in October 2018.</p> <p>This target was fully achieved in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We will provide building control services in a professional and timely manner to ensure building work is safe and in accordance with the New Zealand Building Code (cont.).</p>	<p>At least 85% of survey respondents rate their satisfaction with Council's building control work as fairly satisfied or better</p>	 <p>In 2018, 62% of survey respondents were satisfied with our building assurance work (compared with 78% in 2016/2017).</p> <p><b>See Figure 14 Building Control Satisfaction on page 71.</b></p>
<p>We will provide an environmental health service that:</p> <p>(a) In association with other agencies, fosters the responsible sale and consumption of liquor.</p> <p>(b) Ensures that food provided for sale is safe, free from contamination and prepared in suitable premises.</p>	<p>a) In conjunction with the New Zealand Police, we detect no sale of liquor to minors through random controlled purchase operations (CPOs) run annually.</p> <p>(Target: At least two annual operations with no offences detected.)</p>	 <p>We carried out two rounds of CPOs with 37 premises visited. No sales to minors detected.</p> <p>This target was fully achieved in 2016/2017.</p>
<p>(b) All food premises are inspected at least once annually for compliance and appropriately licensed.</p> <p>(Target: 100%.)</p>	<p>(b) All food premises are inspected at least once annually for compliance and appropriately licensed.</p> <p>(Target: 100%.)</p>	 <p>The Food Safety regime has changed due to legislation. Council is no longer required to visit all food premises and those that it does visit are not all required to be visited annually. In short, Council has met the requirements set by the Ministry of Primary Industries regarding auditing and transition of businesses to the new regime.</p> <p>This compares with 100% of premises which were inspected at least once in 2016/2017.</p>
<p>We will provide animal control services to minimise the danger, distress, and nuisance caused by dogs and wandering stock and to ensure all known dogs are recorded and registered.</p>	<p>All known dogs are registered annually by 30 June.</p> <p>(Target: 100%.)</p>	 <p>99.88% of known dogs were registered as at 30 June 2018. Out of 10,992 known dogs, 13 were not accounted for and their whereabouts will be ascertained as a priority.</p> <p>This compares with 99.97% of known dogs registered in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We will provide animal control services to minimise the danger, distress, and nuisance caused by dogs and wandering stock and to ensure all known dogs are recorded and registered (cont.).</p>	<p>We respond to high priority dog complaints within 60 minutes, 24 hours a day, seven days a week.</p> <p>(Target: 100%.)</p>	 <p>All high priority complaints were responded to within 60 minutes. In some cases less serious complaints may be responded to by phone call or email.</p> <p>Compared with 100% of high priority dog complaints responded to within 60 minutes in 2016/2017.</p>
<p>A civil defence and emergency management system that is designed to promote the safety of people and a resilient community in the event that emergencies occur.</p>	<p>The level of community support for Council's civil defence emergency management (CDEM) activity is rated as fairly satisfied or better through community survey.</p> <p>(Target: 70%.)</p>	 <p>Residents' Survey results for 2018 show 59% of residents are fairly satisfied or very satisfied. The issue with this service is that it is not utilised unless there is a CDEM event, 26% of survey respondents were "Don't Knows" and 15% were not satisfied. This means that of those that had an opinion, 78% were satisfied or better.</p> <p>Many ratepayers will never need this activity, whereas others will associate it with negative events. The CDEM function has improved significantly at a practical level over the last 12 months. The introduction of an Incident Management Team, which is comprised of individuals with the necessary skill sets to respond immediately to any CDEM event, has greatly improved our response capability. The performance of the CDEM function during response and recovery from ex-cyclones Fehi and Gita has been deemed to be very effective by the vast majority of those affected.</p> <p>This compares with 57% of residents satisfied or very satisfied and 12% not satisfied in 2016/2017.</p> <p><b>See Figure 15 Emergency Management Satisfaction Rate 15 on page 71.</b></p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>A civil defence and emergency management system that is designed to promote the safety of people and a resilient community in the event that emergencies occur (cont.).</p>	<p>The Nelson Tasman CDEM Group Plan is reviewed and kept up to date.</p>	 <p>The recovery plan, which is part of the Group plan, is currently being reviewed as part of the normal review cycle.</p> <p>This target was fully achieved in 2016/2017.</p>
<p>To safeguard life and property by the prevention, detection, restriction and control of fire in forest and rural areas.</p>	<p>The area of forest lost through fire annually does not exceed 20 hectares.</p> <p>(Target: No more than 20 ha lost through fire annually.)</p>	 <p>The responsibility for rural fire has transferred from Council to Fire and Emergency New Zealand.</p> <p>There were 15 vegetation fires in 2016/2017 resulting in 1.1 ha of total area burnt with some minor damage (500m<sup>2</sup>) to production forest in 2016/2017.</p>
<p>We will provide Maritime Administration services to ensure Tasman's harbour waters are safe and accessible and that all known commercial vehicle operators are licensed</p>	<p>All known commercial vessel operators are licensed.</p> <p>(Target: 100%.)</p>	 <p>All known commercial operators were registered in 2017/2018.</p> <p>This compares with 100 % of all known commercial operators who were registered in 2016/2017.</p>
<p>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.</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.</p> <p>(Target: 85%.)</p>	 <p>In the November 2017 survey, 73% of parkers complied. Additional parking enforcement has been included in the new contract for parking control. It is hoped that this, as part of the Parking Strategy, will achieve better compliance.</p> <p>In 2016/2017, 53% of vehicles complied.</p> <p><b>See Figure 16 Compliance with Parking Time Limits on page 72.</b></p>

Of the 14 Public Health and Safety performance targets, five were fully achieved and two were achieved within 5%. Five were not achieved and two were not measured.

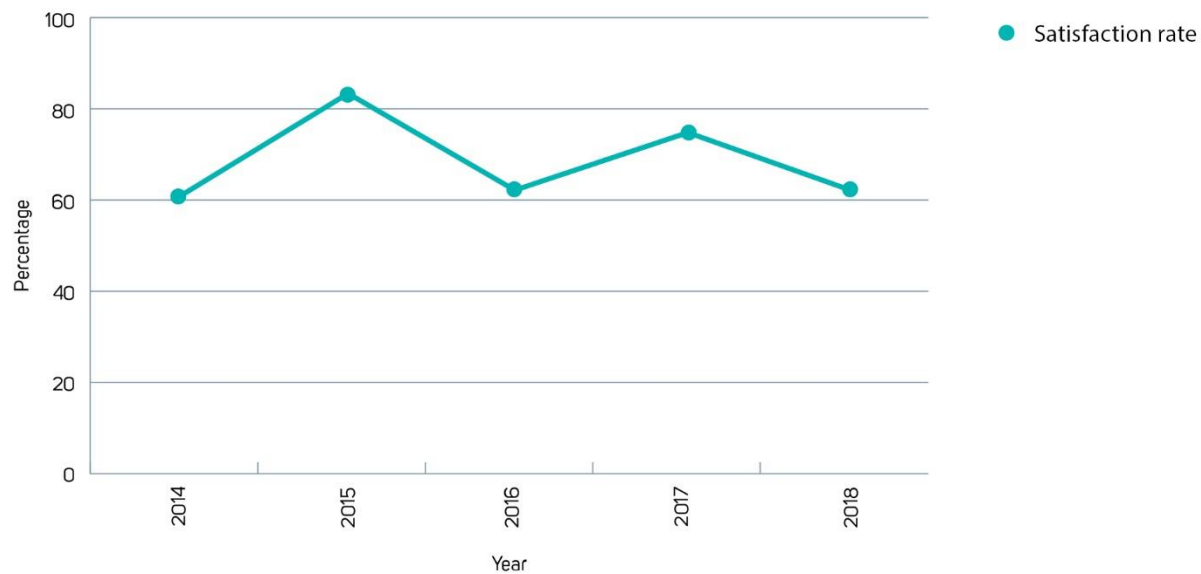
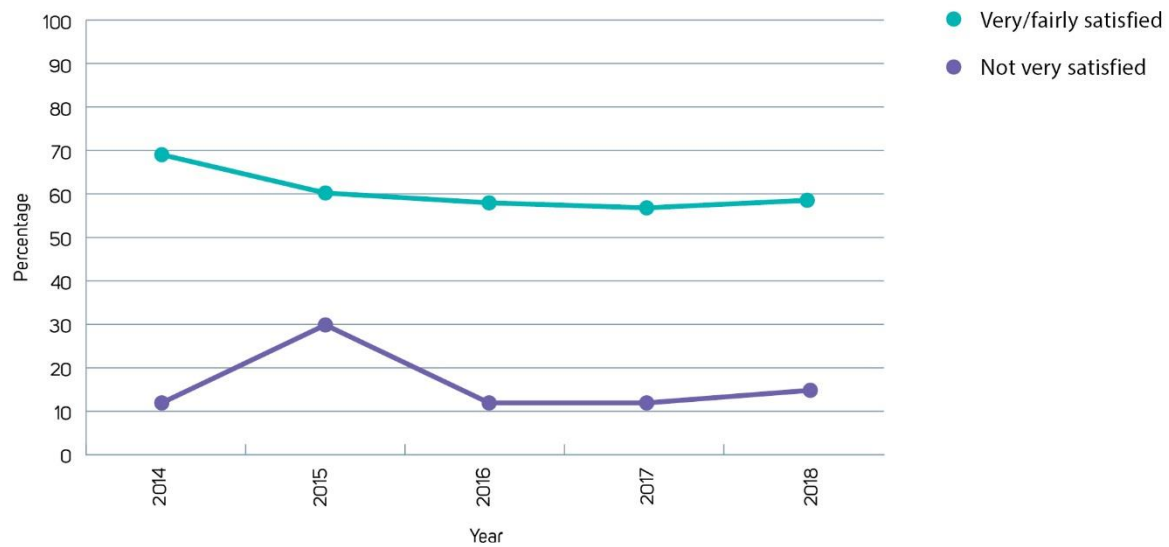
**Figure 14****Building Control Satisfaction Rate****Figure 15****Emergency Management Satisfaction Rate**

Figure 16

## Compliance with Parking Time Limits

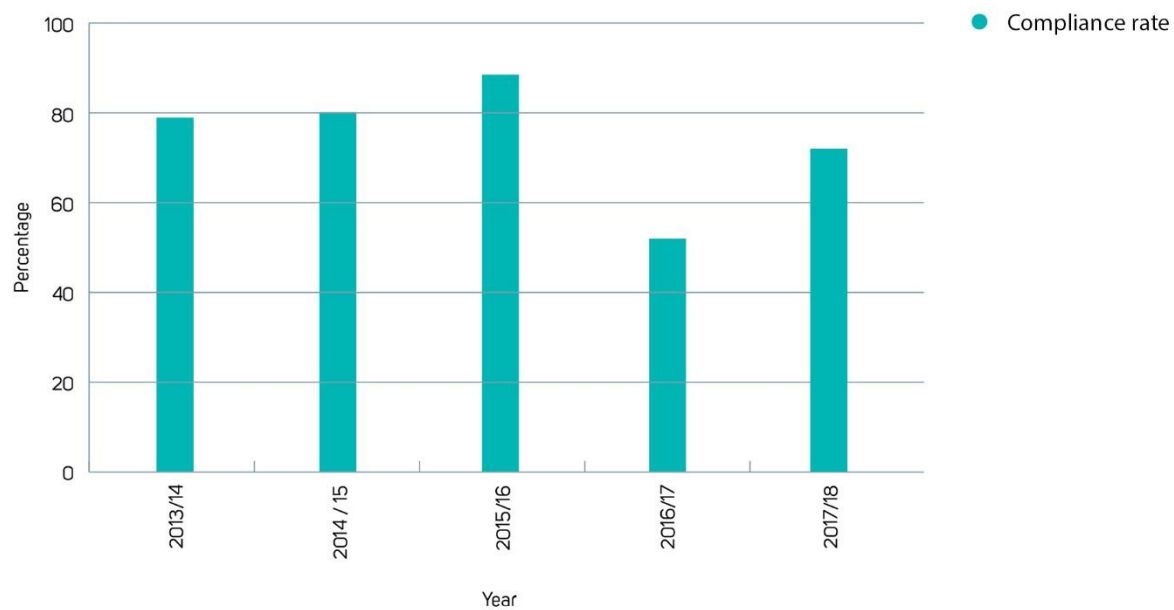
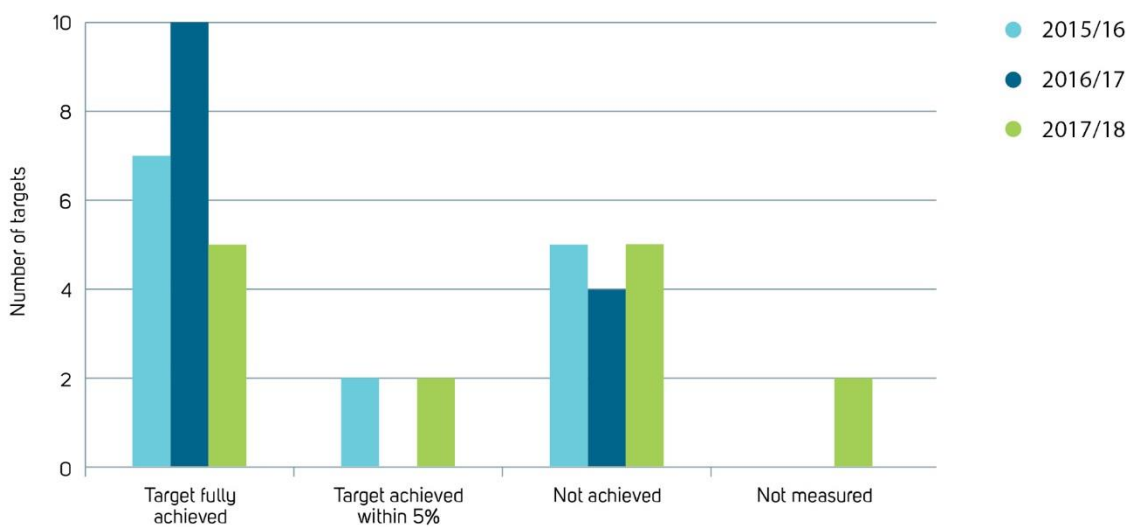


Figure 17

## Public Health and Safety Performance Measures

Comparison of number of performance measures met over three years





## MAJOR ACTIVITIES

PLANNED	ACTUAL 2017/2018																											
<p>Respond to enquiries, process permits and consents, and undertake inspectorial responsibilities under the Health Act, Building Act, Sale of Liquor Act, Food Act, Dog Control Act, Forests and Rural Fires Act, Transport Act, Maritime Transport Act, the Hazardous Substances and New Organisms Act, and associated regulations and Council bylaws.</p>	<p>Inspectorial responsibilities under the Health, Building, and Sale and Supply of Alcohol Acts and Council bylaws continue to be carried out by professionally-trained and qualified staff and contractors.</p> <p>99% of 1,520 building consents were processed within the statutory processing time limit (cf 1,564 at 99.5% in 2016/2017). The average processing time was 11 days (cf 10 in 2016/2017).</p> <p>All technical building staff are engaged in training to meet legal requirements of the Building Act Accreditation Regulations.</p> <p>A digital process for applying for, and processing, land Information memoranda applications was implemented.</p> <p>The transition arrangements for the Food Act 2014 continued, with all food premises under the control of Council meeting the transition requirements. We will not know the final shape of the legislation until February 2019 at which point we will be in a position to allocate resources more accurately.</p> <p>All other health licensing – hairdressers, funeral directors, camping grounds, mobile shops and offensive trades was completed:</p> <div data-bbox="608 853 1345 1294" data-label="Figure"> <table border="1"> <caption>Other Health Licensing</caption> <thead> <tr> <th>Category</th> <th>2016/17</th> <th>2017/18</th> </tr> </thead> <tbody> <tr> <td>Camping Grounds</td> <td>38</td> <td>44</td> </tr> <tr> <td>Commercial Vessel Operators</td> <td>29</td> <td>30</td> </tr> <tr> <td>Funeral Parlours</td> <td>3</td> <td>4</td> </tr> <tr> <td>Hairdressers</td> <td>37</td> <td>41</td> </tr> <tr> <td>Mobile Shops</td> <td>44</td> <td>45</td> </tr> <tr> <td>Offensive Trades</td> <td>6</td> <td>7</td> </tr> <tr> <td>Food Stalls</td> <td>3</td> <td>2</td> </tr> <tr> <td>Totals</td> <td>160</td> <td>173</td> </tr> </tbody> </table> </div> <p>Alcohol regulation continues to perform well with good feedback from customers and no issues with sales to minors found during 37 premises visits. The number of Licenses and Authorities issued over the period dropped by about 10%, a reflection of the cyclic nature of licensing under the sale of alcohol legislation rather than a downturn in activity.</p> <p>Satisfaction rates for Environmental Health were 90% (94% in 2016/2017), as measured in the NRB Customer Survey.</p>	Category	2016/17	2017/18	Camping Grounds	38	44	Commercial Vessel Operators	29	30	Funeral Parlours	3	4	Hairdressers	37	41	Mobile Shops	44	45	Offensive Trades	6	7	Food Stalls	3	2	Totals	160	173
Category	2016/17	2017/18																										
Camping Grounds	38	44																										
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Mobile Shops	44	45																										
Offensive Trades	6	7																										
Food Stalls	3	2																										
Totals	160	173																										
<p>Carry out navigation and safety functions including implementation of the Joint Oil Spill Contingency Plan (with Nelson City Council).</p>	<p>The service provided by the Harbourmaster team has received numerous plaudits from the community and is recognised nationally by Maritime NZ as a top performer. We employed a full time Deputy for the first time this year and this has enabled the Harbourmaster to achieve a more sensible work/life balance without any drop in performance.</p> <p>We maintain a fully staffed oil response team for regional support and have three council staff on the National Response Team.</p>																											

PLANNED	ACTUAL 2017/2018
Carry out animal control responsibilities.	<p>The Council continues to administer the Dog Control Bylaw with service delivery being undertaken by Control Services (Nelson) Ltd. There were 5,782 rural and 5,210 urban dogs registered in Tasman District during the year. Council's contractors responded to complaints regarding wandering stock and dogs and impounded animals as required. 117 Dog Control Infringement Notices were issued, of which 105 were for unregistered dogs (cf 121 in 2016/2017). A separate annual report to the Secretary of Local Government is available for further details, refer to report REP17-08-03 to Council's Environment and Planning Committee meeting on 03 August 2017.</p> <p>Public satisfaction with Dog Control was at 94% (100% in 2016/2017), as measured in the NRB Customer Survey.</p> <p>This is considered an exceptional result given the difficulty in maintaining a dog control service which keeps all parties happy.</p>
Carry out civil defence and emergency management responsibilities.	<p>The Nelson Tasman Group was rated by MCDEM as the best in NZ in 2016/2017 and we have not been re-evaluated since. Opportunity for improvement still exists and ongoing training and preparation will assist in this. The CDEM team have put significant effort into establishing and supporting local groups to produce Community Response Plans. This is most needed in areas remote from the main centres i.e. St Arnaud, Murchison and Takaka.</p> <p>Ongoing works to Stormwater systems around the district have reduced the potential damage caused by storm events. The introduction of an Incident Management Team which has frequent scheduled training has improved our readiness for CDEM events.</p> <p>Our Civil Defence was tested again in February by ex-cyclones Fehi and Gita. The staff responded very well to these challenges during both the response and recovery phases.</p>
Carry out parking control responsibilities under Council's Parking Bylaw.	<p>Parking enforcement responsibilities are carried out under contract by Control Services (Nelson) Ltd. 3,401 infringement notices were issued (cf 2,526 in 2016/2017) during the year along with other advisory warnings concerning parking. This was in response to reduced compliance due to the major roading project in the centre of Richmond.</p> <p>In response to lower than required compliance rates and the new Council Parking Strategy, we have increased the level of Parking enforcement by 40% in the new contract.</p>
Ensure fire risk in the District is effectively managed through supporting rural fire parties and the Waimea Rural Fire Authority	<p>This is no longer a council responsibility following the establishment of Fire Emergency New Zealand in July 2017.</p>

## FUNDING IMPACT STATEMENT – PUBLIC HEALTH AND SAFETY

LTP 2017 \$000	Actual 2017 \$000		Notes	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>							
1,615	1,732	General rates, uniform annual general charges, rates penalties		1,800	2,204	1,697	82%
0	0	Targeted rates		0	0	0	0%
0	43	Subsidies and grants for operating purposes		35	20	0	175%
3,390	3,718	Fees and charges		4,375	3,697	3,492	118%
0	0	Internal charges and overheads recovered		0	0	0	0%
288	367	Local authorities fuel tax, fines, infringement fees, and other receipts		394	327	289	120%
<b>5,293</b>	<b>5,860</b>	<b>Total operating funding</b>		<b>6,604</b>	<b>6,248</b>	<b>5,478</b>	<b>106%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>							
3,202	4,218	Payments to staff and suppliers		4,623	3,866	3,295	120%
32	23	Finance costs		17	19	34	89%
1,954	2,175	Internal charges and overheads applied		2,265	2,294	2,026	99%
0	0	Other operating funding applications		0	0	0	0%
<b>(5,188)</b>	<b>(6,416)</b>	<b>Total applications of operating funding</b>		<b>(6,905)</b>	<b>(6,179)</b>	<b>(5,355)</b>	<b>112%</b>
<b>105</b>	<b>(556)</b>	<b>Surplus/(deficit) of operating funding</b>		<b>(301)</b>	<b>69</b>	<b>123</b>	<b>-436%</b>
<b>SOURCES OF CAPITAL FUNDING</b>							
42	0	Subsidies and grants for capital expenditure		0	0	0	0%
0	0	Development and financial contributions		0	0	0	0%
23	(38)	Increase (decrease) in debt		(26)	(29)	22	90%
0	13	Gross proceeds from sale of assets		0	0	0	0%
0	0	Lump sum contributions		0	0	0	0%
0	0	Other dedicated capital funding		0	0	0	0%
<b>65</b>	<b>(25)</b>	<b>Total sources of capital funding</b>		<b>(26)</b>	<b>(29)</b>	<b>22</b>	<b>90%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>							
<b>Capital expenditure</b>							
0	0	- to meet additional demand		0	0	0	0%
0	0	- to improve the level of service		2	0	0	100%
152	33	- to replace existing assets		19	22	125	86%
18	(614)	Increase (decrease) in reserves		(348)	18	20	-1933%
0	0	Increase (decrease) in investments		0	0	0	0%
<b>(170)</b>	<b>581</b>	<b>Total applications of capital funding</b>		<b>327</b>	<b>(40)</b>	<b>(145)</b>	<b>-818%</b>
<b>(105)</b>	<b>556</b>	<b>Surplus/(deficit) of capital funding</b>		<b>301</b>	<b>(69)</b>	<b>(123)</b>	<b>-436%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

**Fees and Charges** - Recovered more than budget which is a reflection of the strong growth in the region. **Payments to Staff and Suppliers** - The leaky homes costs and additional consultancy expenses due to recruiting challenges contributed to the overspend in this area. **Reserve Movement Increases or Decrease** - The movement in reserve is a reflection of the additional spend on consultants.

# ENGINEERING

## POLICY AND OBJECTIVE

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

## NATURE AND SCOPE

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

- Transportation, Roads and Footpaths
- Coastal Structures
- Water Supply
- Wastewater
- Stormwater
- Solid Waste
- Flood Protection and River Control Works

## TRANSPORTATION, ROADS AND FOOTPATHS

### WHAT WE DO

Council manages a transportation network that comprises approximately 1,741km of roads, (955km sealed and 786km unsealed), 483 bridges (including footbridges), 282km of footpaths, walkways and cycleways, 22 off street car park areas, on street car parking, streetlights, traffic signs, culverts and Tasman's Great Taste Trail. Each road in the transportation network has been categorised into a transportation hierarchy based on the road's purpose and level of use.

This activity includes:

- ownership or authority to use the land under roads;
- road carriageways for the safe movement of people and goods;
- culverts, water tables and a stormwater system to provide drainage for roads;
- 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 movement for road users at night; and
- off street car parking facilities and on street car parking.

This activity also includes other transportation related services, for example transport planning, road safety and public transport services like the NBus and Total Mobility Scheme. These activities are included because they help to enable the movement of people and goods throughout the District and are consistent with the objectives of the Regional Land Transport Plan.

### WHY WE DO IT

By providing a quality transportation network, we enable the safe and efficient movement of people and goods which improves the economic and social well-being of the District. The provision of transport services, roads and footpaths is a public good and as such it is a core function of local government.

### OUR GOAL

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

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOMES
Our communities are healthy, safe, inclusive and resilient.	Our network of roads, footpaths, cycleways and carparks are safe, uncongested and maintained cost-effectively. Our network of roads connects communities across the District.
Our infrastructure is efficient, cost effective and meets current and future needs.	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, commonly 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 significant intersection upgrades, bridge replacement, road realignments or cycleway development may also qualify for a subsidy if certain criteria are met. The maintenance of footpaths and off-street carparks are not included.



The Financial Assistance Rate (FAR) for Tasman in 2017/2018 was 51%. The FAR 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.

## TRANSPORTATION

### OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS


LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p><b>Safety</b></p> <p>Our transportation network is becoming safer for its users.</p>	<p>There is a downward trend in the number of serious and fatal injury crashes occurring on our road network.</p> <p>Measured using the NZ Transport Agency's crash database. The crash database is assessed annually on a calendar year basis, i.e. 1 January to 31 December.</p> <p>One Network Road Classification Safety (ONRCS) – Outcome Measure 1. (Target: decreasing.)</p> <p>The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number.</p> <p>Local Government Act Mandatory Measure. (Target: -1.)</p> <p>There is a decreasing number of loss of control crashes occurring on bends on our road network each year.</p> <p>Measured using NZ Transport Agency's crash database. The crash database is assessed annually on a calendar year basis, i.e. 1 January to 31 December. (Target: Decreasing.)</p>	<div data-bbox="981 454 1251 591" data-label="Figure"> </div> <p>The five-year crash data shows an increasing trend. During 2017/2018 year there were 4 fatal and 25 serious injury crashes.</p> <p>This compares with 2 fatal and 11 serious crashes in 2016/2017 year.</p> <p><b>See Figure 18 on page 84. All Crashes 2013/2024 – 2017/2018 Tasman District Council Roads only, fatal and serious crashes.</b></p> <hr/> <div data-bbox="981 920 1251 1057" data-label="Figure"> </div> <p>During 2017/2018 there were 29 fatal and serious injury crashes.</p> <p>This compares to 13 fatal and serious crashes in 2016/2017.</p> <hr/> <div data-bbox="981 1240 1251 1377" data-label="Figure"> </div> <p>The five-year crash data shows an increasing trend. During 2017/2018 there were 88 bend-lost control crashes recorded.</p> <p>This compares to 69 crashes recorded in 2016/2017.</p> <p><b>See figure 19 on page 84. Bend-lost control 2013/2014-2017/2018, Tasman District Council Roads only, all injury types.</b></p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Safety</p> <p>Our transportation network is becoming safer for its users.</p>	<p>There is a decreasing number of loss of control crashes on straights on our road network each year.</p> <p>Measured using the NZ Transport Agency's crash database. The crash database is assessed annually on a calendar year basis, (Target: Decreasing.)</p>	 <p>The five-year crash data shows an increasing trend. However, during 2017/2018 there were 26 straight-lost control crashes recorded. This compares to 35 crashes recorded in 2016/2017.</p> <p><b>See figure 20 on page 85. Straight-lost control 2013/2014-2017/2018, Tasman District Council Roads only.</b></p>
<p>Resilience</p> <p>We proactively maintain roads in high risk areas to minimise unplanned road closures.</p>	<p>Specified sites that Council considers to have a high risk of failure are inspected and attended to if necessary in response to severe weather warnings.</p> <p>Measured through the road maintenance contractor's monthly reports. (Target: Sites are inspected in response to severe weather warnings at least 100% of the time.)</p>	 <p>The new road maintenance contract which began on 1 July 2017 does not specifically refer to high risk drainage sites.</p> <p>This compares with 100% of high risk drainage inspections carried out for all severe weather warnings in 2016/2017.</p>
<p>Accessibility</p> <p>Our transportation network enables the community to choose from various modes of travel.</p>	<p>Council constructs a minimum of 500 metres of new footpath each financial year to reduce the length of gaps in the existing footpath network.</p> <p>Measured using RAMM Inventory data and GIS mapping. (Target: ≥500 metres.)</p>	 <p>628 metres of new footpath were constructed by the Council, at Higgs Road and Mapua Drive, during 2017/2018.</p> <p>This target was not achieved in 2016/2017 with no new footpaths constructed.</p>
<p>Value for money</p> <p>Our transportation network is maintained cost effectively and whole of the costs are optimised.</p>	<p>The percentage of sealed local road that is resurfaced each financial year. Local Government Act Mandatory Measure. (Target: 4.8%.)</p>	 <p>5.3% (by area) of our sealed network was resurfaced during 2017/2018.</p> <p>This compares with 5.1% of our sealed network resurfaced in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p><b>Travel time</b></p> <p>Our transportation network is managed so that changes to normal travel time patterns across the network are communicated effectively.</p>	<p>Council communicates planned works programme and road closures to road users via the weekly road status report published on Council's website.</p> <p>Measured by tracking weekly website updates.</p> <p>ONRC TTR – PMI. (Target: 100%.)</p>	 <p>Weekly website updates were published.</p> <p>This compares with 100% in 2016/2017.</p>
<p><b>Amenity</b></p> <p>The travel quality and aesthetics of our transportation network is managed at a level appropriate to the importance of the road and satisfies the community's expectations.</p>	<p>The percentage of footpaths with the Tasman District that are maintained to a condition of average or better.</p> <p>As measured through the triennial footpath condition rating survey (completed in 2016/2017, next due 2019/2020). ONRC Safety – PM8.</p> <p>Local Government Act Mandatory Measure. (Target: ≥90%)</p>	 <p>This target is not due to be measured in 2017/2018. The next triennial footpath condition rating survey is due to be completed in 2019/2020. It was last completed in 2016/2017 returning a score of 90.9%.</p>



LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE																
<p><b>Amenity</b></p> <p>The travel quality and aesthetics of our transportation network is managed at a level appropriate to the importance of the road and satisfies the community's expectations (cont.)</p>	<p>The proportion of travel undertaken on the sealed road network meets the specified comfort levels. Known as Smooth Travel Exposure (STE).</p> <p>Smooth travel exposure is defined as the proportion of vehicle kilometres travelled on roads with roughness below the following thresholds:</p> <p><b>Urban Roads</b></p> <table border="1" data-bbox="507 719 842 965"> <thead> <tr> <th>VEHICLES PER DAY</th> <th>ROUGHNESS (NAASRA)</th> </tr> </thead> <tbody> <tr> <td>&lt;500</td> <td>≤180</td> </tr> <tr> <td>500 – 3,999</td> <td>≤150</td> </tr> <tr> <td>4,000 – 9,999</td> <td>≤120</td> </tr> <tr> <td>≥10,000</td> <td>≤110</td> </tr> </tbody> </table> <p><b>Rural Roads</b></p> <table border="1" data-bbox="507 987 842 1160"> <thead> <tr> <th>VEHICLES PER DAY</th> <th>ROUGHNESS (NAASRA)</th> </tr> </thead> <tbody> <tr> <td>&lt;1,000</td> <td>≤150</td> </tr> <tr> <td>≥1,000</td> <td>≤130</td> </tr> </tbody> </table> <p>(NAASRA is an acronym for the National Association of Australian State Road Authorities)</p> <p>As reported through RAMM, based on traffic count and roughness survey data.</p> <p>One Network Road Classification Amenity – Outcome Measure 1. Local Government Act Mandatory Measure. (Target 95%.)</p>	VEHICLES PER DAY	ROUGHNESS (NAASRA)	<500	≤180	500 – 3,999	≤150	4,000 – 9,999	≤120	≥10,000	≤110	VEHICLES PER DAY	ROUGHNESS (NAASRA)	<1,000	≤150	≥1,000	≤130	<div data-bbox="981 360 1251 499" data-label="Figure"> </div> <p>Smooth Travel Exposure was 95% in 2017/2018. This compares with 96% in 2016/2017.</p> <p><b>See figure 21 on page 85. Smooth Travel exposure (STE).</b></p>
VEHICLES PER DAY	ROUGHNESS (NAASRA)																	
<500	≤180																	
500 – 3,999	≤150																	
4,000 – 9,999	≤120																	
≥10,000	≤110																	
VEHICLES PER DAY	ROUGHNESS (NAASRA)																	
<1,000	≤150																	
≥1,000	≤130																	

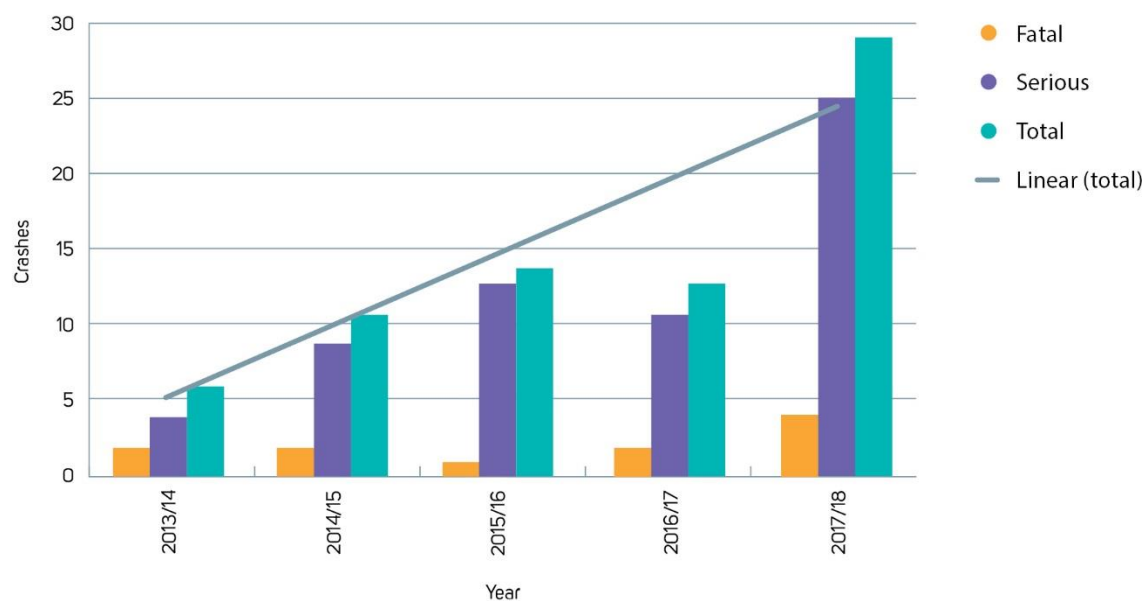
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p><b>Amenity</b></p> <p>The travel quality and aesthetics of our transportation network is managed at a level appropriate to the importance of the road and satisfies the community's expectations (cont.)</p>	<p>Residents are satisfied with Council's roads and footpaths in the District.</p> <p>As measured through the annual Residents' (Communitrak) Survey. (Target: Footpaths ≥ 70%)</p>	 <p><b>Footpaths</b></p> <p>Residents' (Communitrak™) Survey results for 2018 show that 68% of residents are fairly satisfied or very satisfied with footpaths. A total of 23% of residents were not very satisfied.</p> <p>In 2017 74% of residents were satisfied or very satisfied and 21% were not satisfied.</p> <p>It is not clear what has caused a decrease in satisfaction, although one of the key factors mentioned by respondents was a lack of footpaths in some areas. A lot of submissions were received during LTP consultation requesting more infrastructure in Golden Bay.</p> <p>The rollout of ultra-fast broadband by the Government has disrupted normal use of many footpaths and at times the quality of reinstatement has been substandard.</p> <p>A walking and cycling strategy is being prepared in 2018/2019 which will help set targets and priorities for walking and cycling projects.</p>
	<p>Residents are satisfied with Council's roads and footpaths in the District.</p> <p>As measured through the annual Residents' (Communitrak) Survey. (Target: Roads ≥ 70%.)</p>	 <p><b>Roads</b></p> <p>Residents' (Communitrak™) Survey results for 2018 show that 67% of residents are fairly satisfied or very satisfied with roads. A total of 32% of residents were not very satisfied.</p> <p>In 2017 76% of residents were satisfied or very satisfied and 24% were not satisfied.</p> <p>The 2018 survey was carried out a couple of months after a significant storm event that had a major impact on the road network, and consumed a great deal of road maintenance resources in response.</p> <p>In addition, some significant infrastructure projects in and around Richmond are having effects on traffic flows, delays and road surface conditions.</p> <p><b>See Figure 22 on page 88. Satisfaction with Roads and Footpaths.</b></p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p><b>Amenity</b></p> <p>The travel quality and aesthetics of our transportation network is managed at a level appropriate to the importance of the road and satisfies the community's expectations (cont.)</p>	<p>Customer Service Requests (CSR's) relating to the transportation network and activities are completed on time.</p> <p>As measured by the maintenance contractor's compliance with fault response time requirements (using RAMM Contractor), and the percentage of requests assigned to Council staff which are attended to within 5 days (using NCS).</p> <p>ONRC Safety PM7. Local Government Act Mandatory Measure. (Target: ≥ 90%.)</p>	<div data-bbox="981 360 1251 499" data-label="Figure"> </div> <p>73% of maintenance contractor CSR's were completed on time in 2017/2018.</p> <p>79% of Council staff NCS requests were completed on time in 2017/2018.</p> <p>This compares with 88.2% and 79%</p> <p>The number of CSRs received in 2017/2018 (3,415) was significantly higher than in 2016/2017 (1,965). A major contributor to this increase was the ex-cyclone Fehi and Gita events in February 2018.</p> <p>The increase in CSRs received is not matched by an increase in resources available to respond, which contributed to the on-time target not being achieved.</p> <p>A new maintenance contract started on 1 July 2017 and it often takes the new contractor some time to get up to speed with the requirements.</p>

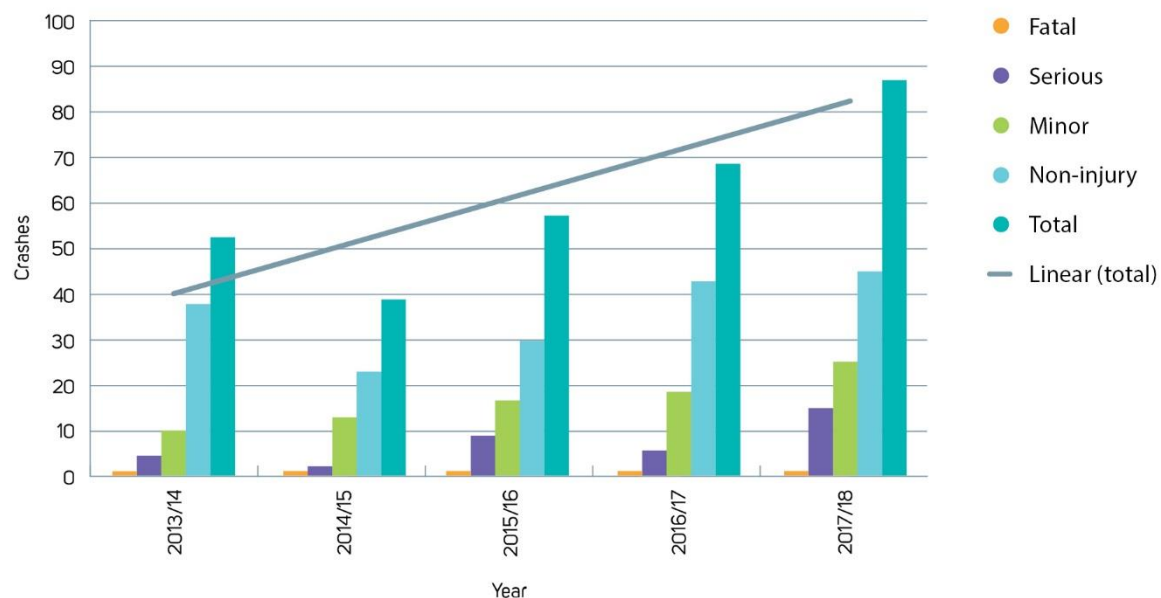
Safety targets were generally not met in 2017/2018, with increasing crash trends reflecting a similar trend seen nationwide. This is drawing a response at the national level from Government to consider what is required to improve the safety performance of the national road network. Tasman are looking at all aspects of our network management to identify what improvements could be made to improve safety outcomes in a way that is affordable for the community. The ex-cyclone Fehi and Gita events in February 2018 caused significant damage to the road network which required a significant dedication of resources (staff and contractors) to respond to. This contributed to the customer service request on time target not being achieved and probably contributed to lower satisfaction levels with roads.

**Figure 18****All Crash Types, 2013/14 – 2017/18 Tasman District Council roads only, fatal and serious crashes**

Note these figures differ from some reported in earlier Annual Reports. This is because there is a time lag for crashes to be reported via NZTA which has meant additional crash cases have come through after we reported the level for the preceding year in the Annual Report.

**Figure 19****Bend-lost Control, 2013/14 – 2017/18, Tasman District Council roads only, all injury types**

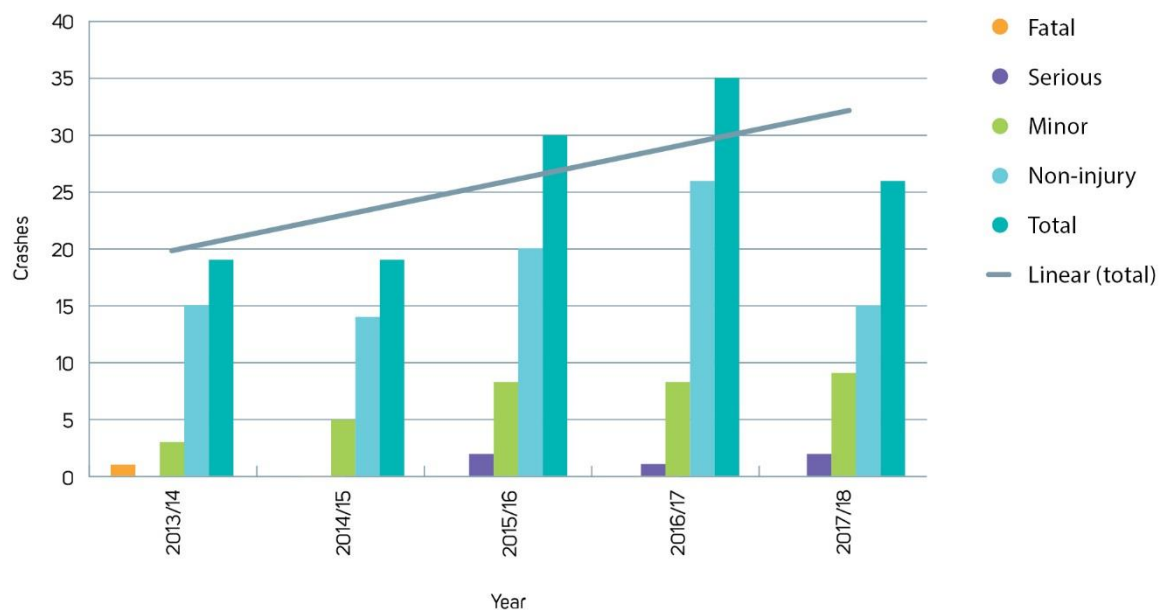
Note these figures differ from some reported in earlier Annual Reports. This is because there is a time lag for crashes to be reported via NZTA which has meant additional crash cases have come through after we reported the level for the preceding year in the Annual Report.



**Figure 20**

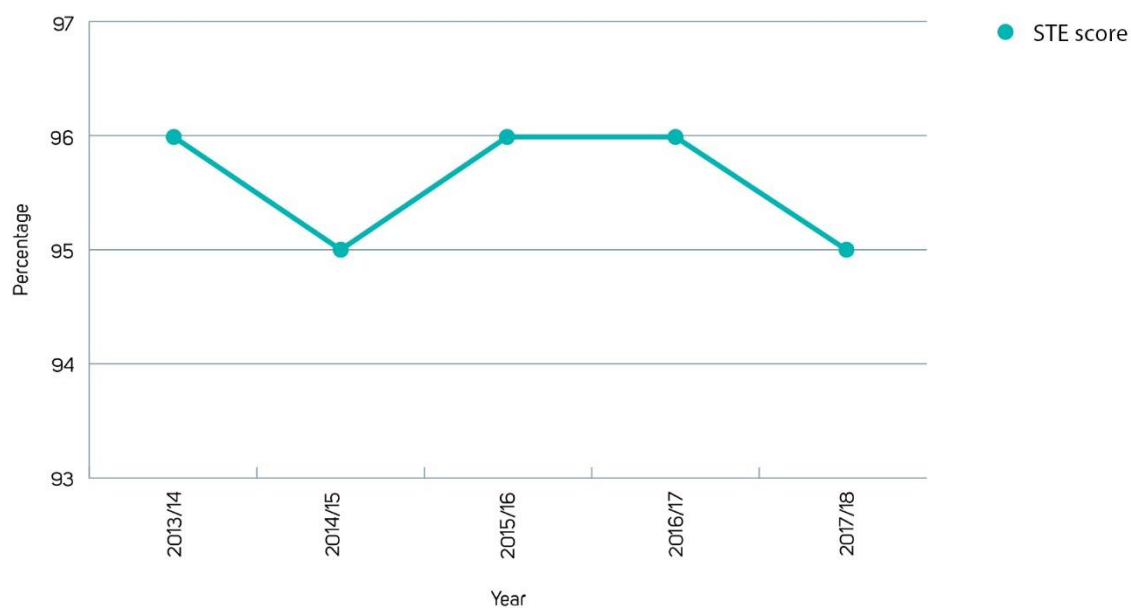
**Straight-lost control, 2013/14 – 2017/18, Tasman District Council roads only, All injury types**

Note these figures differ from some reported in earlier Annual Reports. This is because there is a time lag for crashes to be reported via NZTA which has meant additional crash cases have come through after we reported the level for the preceding year in the Annual Report.



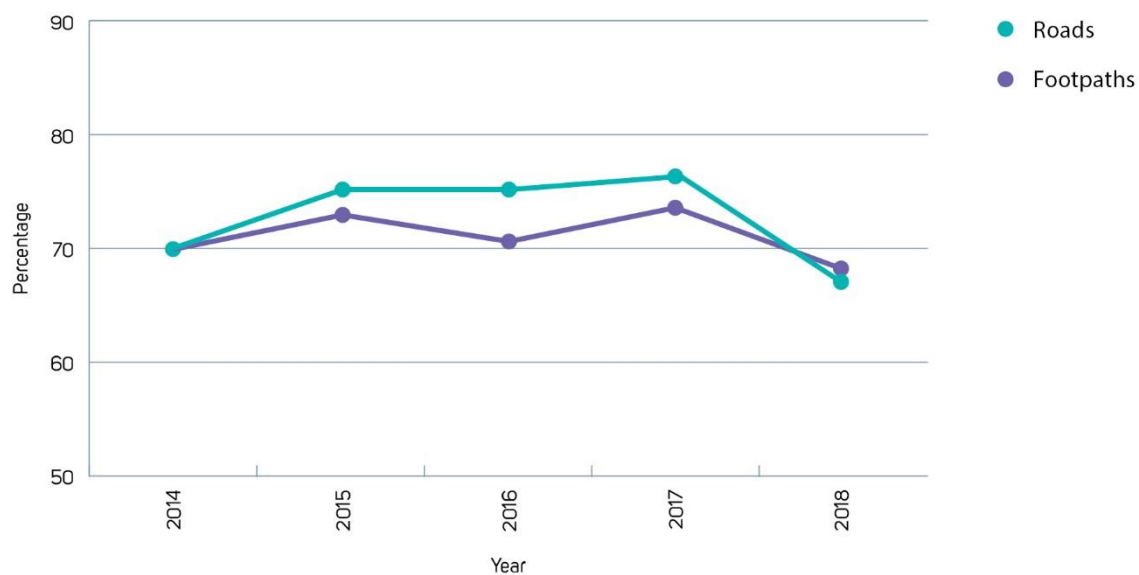
**Figure 21**

**Smooth Travel Exposure (STE)**



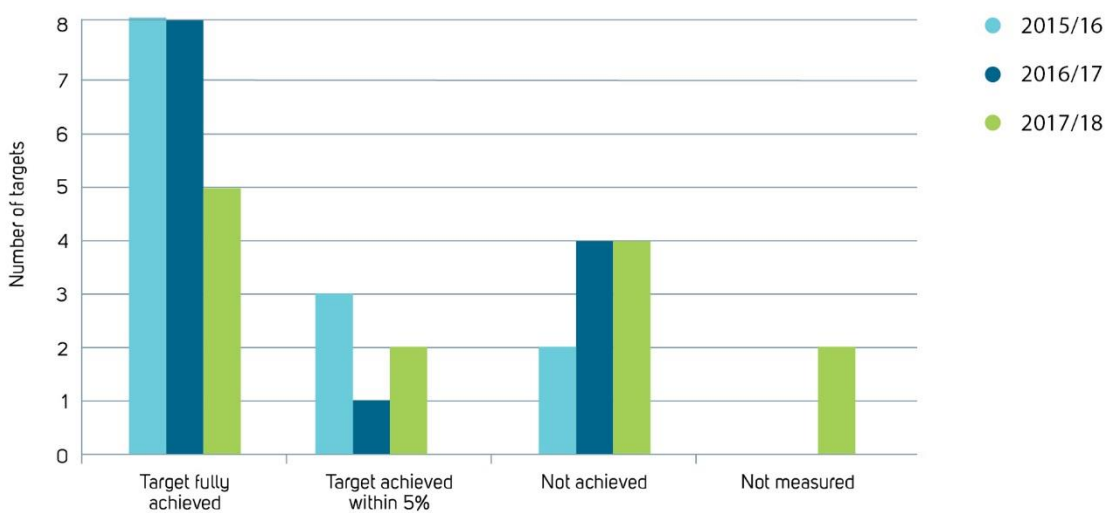
**Figure 22**

Satisfaction with Roads and Footpaths



**Figure 23**

Transportation, Roads and Footpaths Performance Measures  
Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

We have undertaken ongoing management, maintenance and renewal of our transportation network. The network is comprised of roads, bridges (including footbridges), footpaths, carparks, streetlights, traffic signs, culvert pipes, and other associated assets.

We have approved a Regional Land Transport Plan, which is a high level plan to guide the management of the Transportation, Roads and Footpaths group of activities. It outlines the key issues and direction for the activities in accordance with current national strategies and policies.

## NEW CAPITAL EXPENDITURE

The following table details the major capital and renewal work for the year 2017/2018. A full list of projects and programmes for work that was planned to be completed is included in Appendix F of the Transportation Activity Management Plan.

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Sealed Road Resurfacing	\$5,354,125	\$1,807,586	<p>Resurfacing of sealed roads: \$1,891,863 was spent in the 2017/2018 year. \$334,000 was taken out from the budget by way of Council resolution in 2017/2018 bringing the total to \$1.5 million.</p> <p>The total length of resurfacing completed was 57.5km, with 56.5km of this being chip seal, and the remaining 1km being asphaltic concrete.</p> <p>Construction progressed well with very few issues or public complaints. The majority of the programme was completed on time, with just a few sites being delayed due to adverse weather.</p>
Drainage Renewals	\$2,896,431	\$977,853	<p>Renewal of drainage assets including kerb and channel, culverts, sumps and water tables: \$588,658 was spent in the 2017/2018 year.</p> <p>The full drainage renewal programme was not completed the year due to the impacts of ex-cyclones Fehi and Gita.</p>
Unsealed Road Metalling	\$2,593,601	\$875,616	<p>Routine metalling of unsealed roads to replace lost aggregate: \$1,455,469 was spent in the 2017/2018 year.</p> <p>Additional metalling was completed in the Golden Bay area to restore lost metal.</p>
Pavement Rehabilitation	\$1,102,320	\$372,150	<p>Pavement rehabilitation of sites which meet NZTA funding criteria: \$83,126 was spent in the 2017/2018 year.</p> <p>A planned site of Lower Queen Street was deferred due to resources being committed on the ex-cyclone Gita clean up.</p>
Traffic Services Renewals	\$1,465,223	\$494,688	<p>Renewal of signs, edge marker posts and street lighting: \$246,331 was spent in the 2017/2018 year.</p> <p>Fewer signs and streetlight poles were replaced than what was budgeted for, as asset condition did not require replacement.</p>

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Structures Component Replacements	\$1,243,041	\$407,537	Bridge component replacements: \$402,615 was spent in the 2017/2018 year.  The majority of the expenditure in this category was through the Tasman District Councils Bridge Structural Repairs Contract (Contract No. 1108 - Tasman Civil Ltd). Through this contract 15 bridges received structural repairs and another 6 were painted.
Footpath Rehabilitation	\$314,949	\$106,329	Footpath and walkway rehabilitation sites identified through a priority matrix: \$109,456 was spent in the 2017/2018 year.
New Footpaths	\$251,959	\$85,063	Construction of new footpaths across the District: \$64,340 was spent in the 2017/2018 year. \$33,000 was taken out from the budget by way of Council resolution in 2017/18 bringing the total to \$51,000.
Minor Improvements	\$2,972,736	\$1,003,614	Minor road improvements, sites identified through a priority matrix \$1,007,598 was spent in the 2017/2018 year.
Tasman's Great Taste Trail Construction	\$1,822,923	\$1,419,688	Construction of the Great Taste Trail: \$47,359 was spent in the 2017/2018 year. Minimal construction was completed in 2017/2018 due to the need to wait for the Ministry of Business Innovation and Employment to approve the business case for trail completion.
Richmond Central Improvements – Queen Street Town Centre Renewal	\$4,534,027	\$3,162,000	Reinstatement of Queen Street in conjunction with utilities infrastructure upgrades: \$ 3,584,845 was spent in the 2017/2018 year. \$647,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$3.8 million.  Additional costs were incurred due to unexpected subsurface conditions.
Brightwater Town Centre Improvements	\$177,686	\$175,442	Upgrade of Ellis Street to provide for a shared environment: \$168,679 was spent in the 2017/2018 year.



PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Bateup Road Widening	\$3,005,768	\$2,658,214	Widening of Bateup Road to provide for growth: \$586,374 was spent in the 2017/2018 year. \$990,000 was added to the budget by way of Council resolution in 2017/18 bringing the total to \$3.6 million.  Tender prices were higher than budget. This project is under construction and due to be completed in March 2019.
District Land Purchases	\$629,897	\$212,657	\$301,048 was spent in the 2017/2018 year.  Additional land purchases were required as part of an increase in subdivision developments and the associated vesting of road.
Motueka Town Centre renewal project	\$924,853	\$0	\$0 was spent in the 2017/2018 year.
Oxford Street Widening project	\$448,149	\$0	\$0 was spent in the 2017/2018 year.
Pah Street, Greenwood Street and High Street intersection improvements	\$53,844	\$0	\$0 was spent in the 2017/2018 year. .

## FUNDING IMPACT STATEMENT – TRANSPORTATION, ROADS AND FOOTPATHS

LTP 2017 \$000	Actual 2017 \$000		Notes	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>							
11,643	11,598	General rates, uniform annual general charges, rates penalties		11,829	11,827	12,040	100%
0	0	Targeted rates		0	0	0	0%
4,281	3,216	Subsidies and grants for operating purposes		9,546	3,486	4,403	274%
73	158	Fees and charges		268	91	75	295%
0	0	Internal charges and overheads recovered		0	0	0	0%
861	962	Local authorities fuel tax, fines, infringement fees, and other receipts		987	959	870	103%
<b>16,858</b>	<b>15,934</b>	<b>Total operating funding</b>		<b>22,630</b>	<b>16,363</b>	<b>17,388</b>	<b>138%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>							
8,670	7,333	Payments to staff and suppliers		17,015	7,049	8,853	241%
1,960	1,901	Finance costs		1,629	1,739	2,118	94%
1,470	1,630	Internal charges and overheads applied		1,968	1,808	1,570	109%
0	0	Other operating funding applications		0	0	0	0%
<b>(12,100)</b>	<b>(10,864)</b>	<b>Total applications of operating funding</b>		<b>(20,612)</b>	<b>(10,596)</b>	<b>(12,541)</b>	<b>195%</b>
<b>4,758</b>	<b>5,070</b>	<b>Surplus/(deficit) of operating funding</b>		<b>2,018</b>	<b>5,767</b>	<b>4,847</b>	<b>35%</b>
<b>SOURCES OF CAPITAL FUNDING</b>							
3,330	3,665	Subsidies and grants for capital expenditure		4,071	3,764	3,363	108%
150	130	Development and financial contributions		323	142	142	227%
2,267	1,081	Increase (decrease) in debt		3,115	4,373	4,586	71%
0	0	Gross proceeds from sale of assets		0	0	0	0%
0	0	Lump sum contributions		0	0	0	0%
0	0	Other dedicated capital funding		0	0	0	0%
<b>5,747</b>	<b>4,876</b>	<b>Total sources of capital funding</b>		<b>7,509</b>	<b>8,279</b>	<b>8,091</b>	<b>91%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>							
<b>Capital expenditure</b>							
0	0	- to meet additional demand		0	0	0	0%
2,646	1,104	- to improve the level of service		1,481	3,098	2,987	48%
7,859	7,652	- to replace existing assets		9,839	11,101	9,951	89%
0	1,190	Increase (decrease) in reserves		(1,793)	(153)	0	1172%
0	0	Increase (decrease) in investments		0	0	0	0%
<b>(10,505)</b>	<b>(9,946)</b>	<b>Total applications of capital funding</b>		<b>(9,527)</b>	<b>(14,046)</b>	<b>(12,938)</b>	<b>68%</b>
<b>(4,758)</b>	<b>(5,070)</b>	<b>Surplus/(deficit) of capital funding</b>		<b>(2,018)</b>	<b>(5,767)</b>	<b>(4,847)</b>	<b>35%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

**Subsidies and Grants for Operating Purposes** – Emergency events were the main driver of increased revenue. **Fees and Charges** – Sundry income across this activity e.g. road opening fees. **Payments to Staff and Suppliers** - As stated above, emergency events occurred which increased expenditure. **Subsidies and Grants for Capital Expenditure** – The subsidy from NZTA was higher than expected. **Increase (Decrease) in Debt** – The reduction in debt is a reflection of the underspend in the capital programme. **Reserve Movement Increase or Decrease** – The movement in reserve is a reflection of the overspend in this activity due to emergency events.

## COASTAL STRUCTURES

### WHAT WE DO

This group of activities comprises:

- the provision and management of coastal structures (wharves, jetties, boat ramps, associated buildings and foreshore protection walls) owned by Council; and
- the provision of navigational aids to help safe use of the coastal waters.

Some of the assets managed by this group of activities include:

- ownership and management of the wharf at Riwaka;
- jetties, boat ramps, navigational aids and moorings;
- coastal protection works at Ruby Bay and Marahau; and
- navigation aids associated with harbour management.

### WHY WE DO IT

Coastal structures have significant public value, enabling access to and use of coastal areas for commercial, cultural and recreational purposes. Council ownership and management of coastal assets ensures they are retained for the community.

### OUR GOAL

Council aims to maintain its coastal infrastructure and those that protect critical assets to achieve the vision of both Council and the community, taking into account affordability and sustainability.

### HOW THIS ACTIVITY CONTRIBUTES TO COUNCIL'S COMMUNITY OUTCOMES

Community outcomes	How our activity contributes to the community outcomes
Our unique natural environment is healthy and protected.	Coastal structures can be managed so their impact does not affect the health and cleanliness of the receiving environment.
Our urban and rural environments are people-friendly, well planned and sustainably managed.	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.
Our infrastructure is efficient, cost effective and meets current and future needs.	The coastal structures activity provides commercial and recreational facilities to meet the community needs at an affordable and safe level. The facilities are also managed sustainably.

OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS AGAINST THEM


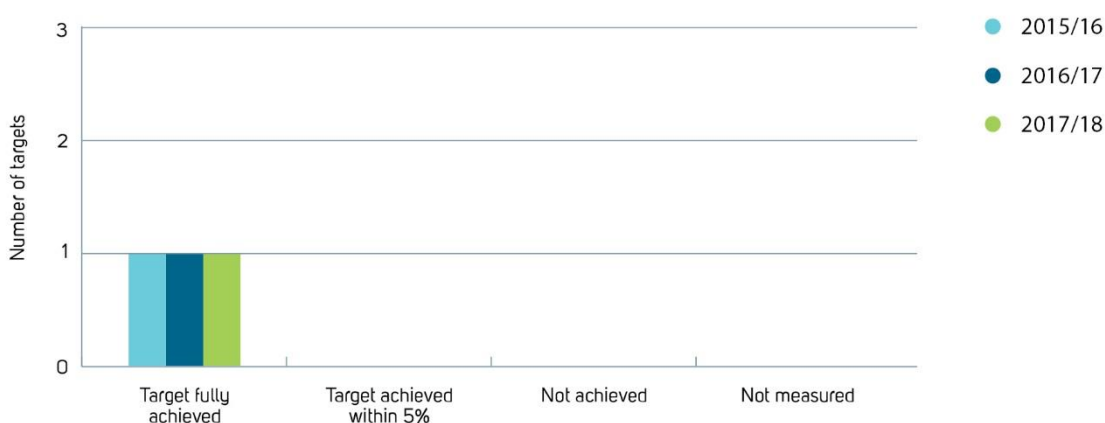
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Our works are carried out so that the impacts on the natural coastal environment are minimised to a practical but sustainable level.	Resource consents are held and complied with for works undertaken by Council or its contractors on Council owned coastal protection – as measured by the number of notices issued to Council. (Target: no notices issued.)	 <p>No notices were issued in 2017/2018. No notices were issued in 2016/2017.</p>

Figure 24

Coastal Structures Performance Measures

Comparison of number of performance measures met over three years



MAJOR ACTIVITIES

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Waimea Inlet Boat Access	\$81,840	\$83,477	Improvements to existing boat access facilities in the Waimea Inlet:  No funds were spent in the 2017/2018 year.  This project has been superseded by a new project in the 2018-2028 Long Term Plan.

## FUNDING IMPACT STATEMENT - COASTAL STRUCTURES

LTP 2017 \$000	Actual 2017 \$000		Notes	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>							
462	435	General rates, uniform annual general charges, rates penalties		429	429	432	100%
102	102	Targeted rates		96	93	100	103%
0	0	Subsidies and grants for operating purposes		0	0	0	0%
0	15	Fees and charges		0	0	0	0%
0	0	Internal charges and overheads recovered		0	0	0	0%
9	17	Local authorities fuel tax, fines, infringement fees, and other receipts		18	18	12	100%
<b>573</b>	<b>569</b>	<b>Total operating funding</b>		<b>543</b>	<b>540</b>	<b>544</b>	<b>101%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>							
314	199	Payments to staff and suppliers		318	377	370	84%
92	52	Finance costs		36	41	85	88%
53	56	Internal charges and overheads applied		69	79	55	87%
0	0	Other operating funding applications		0	0	0	0%
<b>(459)</b>	<b>(307)</b>	<b>Total applications of operating funding</b>		<b>(423)</b>	<b>(497)</b>	<b>(510)</b>	<b>85%</b>
<b>114</b>	<b>262</b>	<b>Surplus/(deficit) of operating funding</b>		<b>120</b>	<b>43</b>	<b>34</b>	<b>279%</b>
<b>SOURCES OF CAPITAL FUNDING</b>							
0	0	Subsidies and grants for capital expenditure		0	0	0	0%
0	0	Development and financial contributions		0	0	0	0%
(107)	(93)	Increase (decrease) in debt		(69)	10	(107)	-690%
0	0	Gross proceeds from sale of assets		0	0	0	0%
0	0	Lump sum contributions		0	0	0	0%
0	0	Other dedicated capital funding		0	0	0	0%
<b>(107)</b>	<b>(93)</b>	<b>Total sources of capital funding</b>		<b>(69)</b>	<b>10</b>	<b>(107)</b>	<b>-690%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>							
Capital expenditure							
0	0	- to meet additional demand		0	0	0	0%
0	0	- to improve the level of service		0	83	0	0%
0	2	- to replace existing assets		1	41	0	2%
7	167	Increase (decrease) in reserves		50	(71)	(73)	-70%
0	0	Increase (decrease) in investments		0	0	0	0%
<b>(7)</b>	<b>(169)</b>	<b>Total applications of capital funding</b>		<b>(51)</b>	<b>(53)</b>	<b>73</b>	<b>96%</b>
<b>(114)</b>	<b>(262)</b>	<b>Surplus/(deficit) of capital funding</b>		<b>(120)</b>	<b>(43)</b>	<b>(34)</b>	<b>279%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

**Reserve Movement Increase or Decrease** – The movement in reserve is a reflection of the underspend in this activity which has increased the surplus.

## **WATER SUPPLY**

### **WHAT WE DO**

This group of activities comprises the provision of potable water (i.e. water suitable for use and consumption by people) to properties within 16 water supply areas. The water supply areas consist of 11 urban water supply schemes (known as the urban water club), Motueka water supply scheme, three rural supply schemes and the Hamama community scheme. The Mapua Rise Water Scheme was transferred to Council in May 2017 and increases the total number of schemes to 16, from the 15 schemes reported last year.

In addition, the Takaka Firefighting Scheme supplies the central Takaka area with a non-potable firefighting supply.

Our water supply network is extensive and growing rapidly to meet increasing urban growth. At present, the network comprises approximately 807 kilometres of pipeline, 36 pumping stations, 11,100 domestic connections and 111 reservoirs and break pressure tanks with a usable capacity of approximately 18,000 cubic metres of water. In addition, we manage the Wai-iti water storage dam to provide supplementary water into the Lower Wai-iti River and aquifer. This enables sustained water extraction for land irrigation at times of low river flows.

### **WHY WE DO IT**

By providing ready access to high quality drinking water in the urban areas, we are primarily protecting public health. It is also facilitating economic growth and enabling the protection of property through the provision of an adequate firefighting water supply. The service provides many public benefits and it is considered necessary and beneficial to the community that we undertake 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.

### **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 COUNCIL'S COMMUNITY OUTCOMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOMES
Our unique natural environment is healthy and protected.	All water in Council-owned schemes is taken from the environment (surface or groundwater) and so they all require resource consents. Consented activity can be managed so the impact of the water take does not prove detrimental to the surrounding environment.
Our urban and rural environments are people-friendly, well-planned and sustainably managed.	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 firefighting consistent with the national firefighting standards in many areas.
Our infrastructure is efficient, cost effective and meets current and future needs.	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 communities are healthy, safe, inclusive and resilient.	The water supply activity provides water that is safe to drink. Alternative sources and interconnectivity of networks support resilience of the system.
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	The opening of larger key facilities is celebrated with community groups.
Our communities have access to a range of social, educational and recreational facilities and activities.	The water supply activity underpins other facilities and activities by providing safe water for human and animal needs.
Our Council provides leadership and fosters partnerships, a regional perspective and community	The water supply activity supports this outcome, as witnessed by agreements that we have with NCC and the work undertaken on the Waimea Community Dam to try to achieve water security from a regional perspective.
Our region is supported by an innovative and sustainable economy	The water supply activity underpins the economy by providing safe water for human and animal needs. Sustainable future supply is a key driver of our planning activities.



## WATER SUPPLY




### OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Our water takes are sustainable.</p>	<p>All water takes have resource consents. All resource consents are held in NCS. (Target: 100%.)</p>	 <p>We have all the necessary resource consents in place meeting our 100% target.</p> <p>This compares with 100% in 2016/2017</p>
	<p>Compliance with water resource consents is achieved, as measured by the number of:</p> <ul style="list-style-type: none"> <li>• abatement notices (≤1)</li> <li>• infringement notices (0)</li> <li>• enforcement orders (0)</li> <li>• convictions (0)</li> </ul>	 <p>We have achieved 100% compliance with our resource consents. We received no notices or enforcement orders during the 2017/2018 year.</p> <p>This compares with 100% in 2016/2017</p>



LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE																																																				
	<p>Our percentage of real water loss from the network is less than the target. (Mandatory measure 2). (Target: 28%)</p>	<div data-bbox="959 320 1225 454" data-label="Figure"> </div> <p>A number of the smaller schemes had high losses but the overall percentage loss of 21% is better than the targeted 28%</p> <p>This target was not achieved in 2016/2017 with the 29% target achieved in eight of our 11 urban schemes.</p> <p>A leak fixed in Pohara in June 2018 resulted in usage being halved so we would expect a much better result next year. Leak detection has been carried out in Pohara, Murchison, Motueka, Mapua, Tapawera and Brightwater in the last 12months.</p> <table border="1" data-bbox="794 875 1407 1444"> <thead> <tr> <th>URBAN SCHEME</th> <th>REAL LOSS M<sup>3</sup></th> <th>ACTUAL REAL LOSS/INPUT VOLUME</th> <th>INFRASTRUCTURE LEAKAGE INDEX</th> </tr> </thead> <tbody> <tr> <td>Brightwater</td> <td>144,479</td> <td>27%</td> <td>3.8</td> </tr> <tr> <td>Collingwood</td> <td>10,961</td> <td>30%</td> <td>1.4</td> </tr> <tr> <td>Kaiteriteri</td> <td>54,818</td> <td>30%</td> <td>2.0</td> </tr> <tr> <td>Mapua</td> <td>113,349</td> <td>26%</td> <td>3.3</td> </tr> <tr> <td>Motueka</td> <td>17,332</td> <td>6%</td> <td>0.5</td> </tr> <tr> <td>Murchison</td> <td>24,370</td> <td>25%</td> <td>2.9</td> </tr> <tr> <td>Pohara</td> <td>24,279</td> <td>69%</td> <td>14.0</td> </tr> <tr> <td>Richmond</td> <td>407,285</td> <td>15%</td> <td>2.4</td> </tr> <tr> <td>Tapawera</td> <td>49,378</td> <td>57%</td> <td>11.5</td> </tr> <tr> <td>Upper Takaka</td> <td>1,489</td> <td>45%</td> <td>2.6</td> </tr> <tr> <td>Wakefield</td> <td>120,367</td> <td>39%</td> <td>5.2</td> </tr> <tr> <td><b>Overall</b></td> <td><b>968,107</b></td> <td><b>21%</b></td> <td><b>2.9</b></td> </tr> </tbody> </table>	URBAN SCHEME	REAL LOSS M <sup>3</sup>	ACTUAL REAL LOSS/INPUT VOLUME	INFRASTRUCTURE LEAKAGE INDEX	Brightwater	144,479	27%	3.8	Collingwood	10,961	30%	1.4	Kaiteriteri	54,818	30%	2.0	Mapua	113,349	26%	3.3	Motueka	17,332	6%	0.5	Murchison	24,370	25%	2.9	Pohara	24,279	69%	14.0	Richmond	407,285	15%	2.4	Tapawera	49,378	57%	11.5	Upper Takaka	1,489	45%	2.6	Wakefield	120,367	39%	5.2	<b>Overall</b>	<b>968,107</b>	<b>21%</b>	<b>2.9</b>
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LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE																								
Our water takes are sustainable.	<p>The average consumption of drinking water per day per resident is less than the target.</p> <p>(Mandatory measure 5).</p> <p>(Target: &lt; 300L/person/day.)</p>	 <p>As the table below shows, we have achieved this level of service, with the majority well below the target. This measure was also achieved in 2016/17.</p> <table border="1" data-bbox="799 577 1310 1059"> <thead> <tr> <th>URBAN SCHEME</th> <th>AVERAGE LITRES PER DAY PER CONNECTION</th> </tr> </thead> <tbody> <tr><td>Brightwater</td><td>257</td></tr> <tr><td>Collingwood*</td><td>129</td></tr> <tr><td>Kaiteriteri*</td><td>204</td></tr> <tr><td>Mapua</td><td>233</td></tr> <tr><td>Motueka**</td><td>208</td></tr> <tr><td>Murchison</td><td>268</td></tr> <tr><td>Pohara*</td><td>234</td></tr> <tr><td>Richmond</td><td>226</td></tr> <tr><td>Tapawera</td><td>246</td></tr> <tr><td>Upper Takaka</td><td>105</td></tr> <tr><td>Wakefield</td><td>214</td></tr> </tbody> </table> <p>*Low occupancy rate, with a high number of holiday locations or alternate water supplies.</p> <p>** A number of properties use private bores as well as urban supply.</p>	URBAN SCHEME	AVERAGE LITRES PER DAY PER CONNECTION	Brightwater	257	Collingwood*	129	Kaiteriteri*	204	Mapua	233	Motueka**	208	Murchison	268	Pohara*	234	Richmond	226	Tapawera	246	Upper Takaka	105	Wakefield	214
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Our use of the water resource is efficient.	<p>Water Demand Management Plans are in place for each water scheme.</p> <p>(Target: 10 out of 14.)</p>	 <p>We have Demand Management Plans in place for 9 out of our 14 water schemes.</p> <p>In future plans will not be developed for the three rural schemes or the two small schemes of Pohara and Upper Takaka leaving nine schemes requiring up-to-date plans</p> <p>Plans have been prepared for Brightwater, Mapua, Wakefield and Richmond in the last 12 months</p> <p>This compares with 8 demand management plans in place in 2016/2017.</p>																								

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Our water is safe to drink.	Number of temporary advisory notices issued to boil water – as issued in consultation with the Medical Officer of Health. (Target: Nil.)	 <p>We did not issue any temporary advisory notices to boil water in 2017/2018.</p> <p>This compares with one boil water notice issued in 2016/2017.</p>
We comply with part 4 (bacteria compliance criteria) of the drinking- water standards. (Mandatory measure).		 <p>Three schemes did not comply:</p> <ul style="list-style-type: none"> <li>• Dovedale. This scheme has a permanent boil water notice in place. The source water is generally too dirty to effectively treat with chlorination.</li> <li>• Eighty Eight Valley. The chlorination equipment failed and occasionally the source water becomes dirty.</li> <li>• Waimea Industrial Zone. Unknown source of bacteria picked up in reservoirs. There is no chlorination of the network.</li> <li>• Upper Takaka Plant did not comply as the approved Water Safety Plan expired in 2017. No bacteria was detected in the supply.</li> </ul> <p>This target was not achieved in 2016/2017</p>
Bacterial water sampling results show no presence of <i>E.coli</i> . (Target: 99%)		 <p>We achieved compliance with 99.5% of all <i>E.coli</i> samples taken.</p> <p>This compares with 99.6% compliance in 2016/2017.</p>

## 2017/18 Results: Bacterial compliance in Plant and Zone (Part 4 NZDWS)

BACTERIAL COMPLIANCE IN PLANT	Plant Compliance			Zone Compliance	
	BACTERIAL SAMPLING COMPLIED?	WATER QUALITY COMPLIANCE <sup>1</sup>	REASON FOR NON-COMPLIANCE	BACTERIAL COMPLIANCE IN ZONE?	REASON FOR NON-COMPLIANCE
Collingwood	Yes	Yes	Complied	Yes	Complied
Dovedale Rural	No	No	T, NTU, Chlor	No	T
Eighty Eight Valley Rural	No	No	T, NTU, TF	No	T
Hope/Brightwater	Yes	Yes	Complied	Yes	Complied
Kaiteriteri	Yes	N/A	Complied	Yes	Complied
Motueka	Yes	N/A	Complied	Yes	Complied
Murchison	Yes	Yes	Complied	Yes	Complied
Pohara	Yes	N/A	Complied	Yes	Complied
Redwood Valley 1	Yes	Yes	Complied	Yes	Complied
Redwood Valley 2	Yes	Yes	Complied	Yes	Complied
Richmond	Yes	N/A	Complied	Yes	Complied
Waimea Industrial*	N/A	N/A	N/A	No	T
Tapawera	Yes	Yes	Complied	Yes	Complied
Mapua Ruby Bay	Yes	Yes	Complied	Yes	Complied
Wakefield	Yes	Yes	Complied	Yes	Complied
Upper Takaka	No	N/A	Tech/IS	Yes	Complied
Mapua Rise	Yes	N/A	Complied	Yes	Complied

**KEY**

**T** – Transgression: *E.coli* detected

**IS** – Insufficient sampling (technical non-compliance)

**NT** – No protozoa treatment in place yet

**TF** – Treatment failure

**Tech** – Technical non-compliance (e.g. data collection failure due to server outage)

**PBWN**-Permanent Boil Water notice

**NTU** - High turbidity

**Chlor** - chlorine level (<0.2mg/l)

**NA** – Compliance criteria 1 from Part 4 of the NZDWS applies. All other plants use compliance criteria 2.

<sup>1</sup> physical water quality parameters: pH, turbidity and free available chlorine (FAC)

\* Waimea Industrial is a zone only and has no separate plant. It is supplied from the Richmond treatment plant

## 2016/17 Results: Bacterial compliance in Plant and Zone (Part 4 NZDWS)

BACTERIAL COMPLIANCE IN PLANT	Plant Compliance			Zone Compliance	
	BACTERIAL SAMPLING COMPLIED?	WATER QUALITY COMPLIANCE <sup>1</sup>	REASON FOR NON-COMPLIANCE	BACTERIAL COMPLIANCE IN ZONE?	REASON FOR NON-COMPLIANCE
Collingwood	Yes	No	NTU	Yes	Complied
Dovedale Rural	Yes	No	NTU, Chlor	No	T, PBWN
Eighty Eight Valley Rural	Yes	No	NTU	Yes	Complied
Hope/Brightwater	Yes	No	NTU	Yes	Complied
Kaiteriteri	Yes	N/A	Complied	Yes	Complied
Motueka	Yes	N/A	Complied	Yes	Complied
Murchison	Yes	Yes	Complied	Yes	Complied
Pohara	Yes	N/A	Complied	Yes	Complied
Redwood Valley 1	Yes	Yes	Complied	Yes	Complied
Redwood Valley 2	Yes	Yes	Complied	Yes	Complied
Richmond	Yes	N/A	Complied	Yes	Complied
Waimea Industrial*	N/A	N/A	-	Yes	Complied
Tapawera	Yes	Yes	Complied	Yes	Complied
Mapua Ruby Bay	Yes	Yes	Complied	Yes	Complied
Wakefield	Yes	Yes	Complied	Yes	Complied
Upper Takaka	No	N/A	T	Yes	Complied
Mapua Rise	Yes	N/A	Complied	Yes	Complied

**KEY**

**T** – Transgression: *E.coli* detected

**IS** – Insufficient sampling (technical non-compliance)

**NT** – No protozoa treatment in place yet

**TF** – Treatment failure

**Tech** – Technical non-compliance (e.g. data collection failure due to server outage)

**PBWN**-Permanent Boil Water notice

**NTU** - High turbidity

**Chlor** - chlorine level (<0.2mg/l)

**NA** – Compliance criteria 1 from Part 4 of the NZDWS applies. All other plants use compliance criteria 2.

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Our water is safe to drink cont.)</p>	<p>We comply with part 5 (protozoal compliance criteria) of the drinking- water standards.</p> <p>As measured by a number of schemes with compliant protozoa treatment determined by the Drinking Water Assessor.</p> <p>(Target 3 of 14: Hamama handed back to users) (Mandatory measure 1)</p>	<div data-bbox="981 360 1251 499" data-label="Figure"> </div> <p>Three plants complied; Mapua Rise, Tapawera and Richmond</p> <p>Murchison has only one UV unit. Technical issues with this unit caused outages for part of the year.</p> <p>Upper Takaka requires an approved Water Safety Management Plan to be in place to achieve full compliance. This ran out in the 2016/2017 compliance year and so full compliance was not achieved.</p> <p>This target was not achieved in 2016/2017 with only one plant fully compliant.</p>

## 2017/2018 Results Part 5 NZDWS

PLANT PROTOZOA COMPLIANCE	PROTOZOAL COMPLIANCE	REASONS FOR NON COMPLIANCE (PROTOZOAL)
Collingwood	No	NT
Dovedale Rural	No	NT
Eighty Eight Valley Rural	No	NT
Hope/Brightwater	No	NT
Kaiteriteri	No	NT
Motueka	No	NT
Murchison	No	Tech, TF
Pohara	No	NT
Redwood Valley 1	No	NT
Redwood Valley 2	No	NT
Richmond	Yes	Complied
Tapawera	Yes	Complied
Mapua Ruby Bay	No	NT
Wakefield	No	NT
Upper Takaka <sup>1</sup>	No	Tech
Mapua Rise	Yes	Complied

**KEY**

NT – No protozoa treatment in place yet

NA – Not applicable

TF – Treatment failure

Tech – Technical non-compliance (e.g. data collection failure due to server outage)

<sup>1</sup> Upper Takaka not assessed as part of the Drinking Water annual survey as it is a community supply (<100 people)

## 2016/2017 Results Part 5 NZDWS

PLANT PROTOZOA COMPLIANCE	PROTOZOAL COMPLIANCE	REASONS FOR NON COMPLIANCE (PROTOZOAL)
Collingwood	No	NT
Dovedale Rural	No	NT
Eighty Eight Valley Rural	No	NT
Hope/Brightwater	No	NT
Kaiteriteri	No	NT
Motueka	No	NT
Murchison*	No*	Tech, TF
Pohara	No	NT
Redwood Valley 1	No	NT
Redwood Valley 2	No	NT
Richmond**	No**	Tech
Tapawera*	No*	Tech, TF
Mapua Ruby Bay	No	NT
Wakefield	No	NT
Upper Takaka***	No***	Tech
Mapua Rise	Yes	Complied

**KEY**

**NT** – No protozoa treatment in place yet

**NA** – Not applicable

**TF** – Treatment failure


**Tech** – Technical non-compliance (e.g. data collection failure due to server outage)

\*Both Murchison and Tapawera only have one UV unit. Technical issues with both of these units caused outages for part of the 2016/2017 year.

\*\*As Richmond is a large supply, it requires 'continuous monitoring'. Technical issues with capturing and storing all of the data needed to prove compliance meant that full compliance was not attempted. This does not mean the treatment plant does not provide water treated for protozoa 100% of the time.

\*\*\* Upper Takaka required an approved Water Safety Management Plan to be in place to achieve full compliance. This ran out in the 2016/2017 compliance year and so full compliance was not achieved.



LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Our water supply systems provide fire protection to a level that is consistent with the national standard.</p>	<p>Our water supply systems meet the FW2 standard as per the Code of Practice for Fire Fighting Water Supplies – measured through hydraulic modelling, and field testing revised biennially. (Target: 90%)</p>	 <p>95% of our water supply systems met the FW2 standard as per the Code of Practice for Fire Fighting Water Supplies in 2017/2018.</p> <p>Work has been completed to randomly test a number of hydrants in ten urban schemes and achieved a result of three failures out of 55 tests. Two of these failures were marginal and close to the required flow rates.</p> <p>This result compared with 100% compliance in 2016/2017.</p>
<p>Our water supply activities are managed at a level that the community is satisfied with.</p>	<p>% of customers are satisfied with the water supply service – as measured through the annual Residents’ Survey. (Target: 80%)</p>	 <p>Residents’ (Communitrak™) Survey results for 2018 show 86% of residents who receive a service are fairly satisfied or very satisfied with the water supply. 12% of residents who receive a service were not very satisfied</p> <p>This compares with 80% of residents who receive a service being fairly satisfied or very satisfied in 2016/2017.</p> <p><b>See figure 25 Water Supply Services Satisfaction Rate on page 108.</b></p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Our water supply systems are built, operated and maintained so that failures can be managed and responded to quickly.	Complaints per 1,000 connections are less than the target – relates to clarity, taste, odour, pressure or flow, continuity of supply and Council response to these issues – as recorded through Council’s Confirm database. (Mandatory measure 4.) (Target: <20.)	 <p>Although we provided a high standard of drinking water to our users, we did not meet our target and recorded a total of 33 complaints per 1,000 connections (compared with 43 complaints per 1,000 connections in 2016/2017). Most of these complaints related to rural water supplies and consisted of customers calling us to have their flow-restrictors serviced (as they had become blocked). The majority of complaints related to the rural water supplies in Dovedale and Redwoods, as these water supplies have higher levels of sediment than others.</p> <p>In summary there were 2,137 enquiries relating to water supplies in the 2017/2018 year. Of these, 430 were classed as complaints as explained above.</p>
	Median response times are within targets for urgent call-outs (2 hours). (Mandatory measure 3.) (Target: < 2 hours.)	 <p>The median response time for urgent call-outs was 2.1 hours.</p>
	Median resolution times are within targets for urgent call-outs (one day). (Mandatory measure 3.) (Target: <24 hours.)	 <p>The median resolution time was 18.2 hours. There were 11 call-outs of which two had no service restored time recorded. In calculating the median resolution time we have assumed these two cases were at the long resolution time end of the continuum. The median response time for only the call-outs where a service restored time was recorded was 16 hours.</p>
	Median response times are within targets for non-urgent call-outs (72 hours). (Mandatory measure 3.) (Target: < 72 hours.)	 <p>The median response time for non-urgent call-outs was 19.4 hours.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
	<p>Median resolution times are within targets for non-urgent call-outs (seven working days). (Mandatory measure 3.) (Target: &lt; 8 working days.)</p>	<div data-bbox="981 360 1251 499" data-label="Figure"> </div> <p>The median resolution time was 25 hours.</p> <p>There were 1,240 call-outs of which 11 (1%) had no valid service restored time recorded. In calculating the median resolution time we have assumed these 11 cases were at the long resolution time end of the continuum. The median response time for only the call-outs where a valid service restored time was recorded was 24 hours.</p>

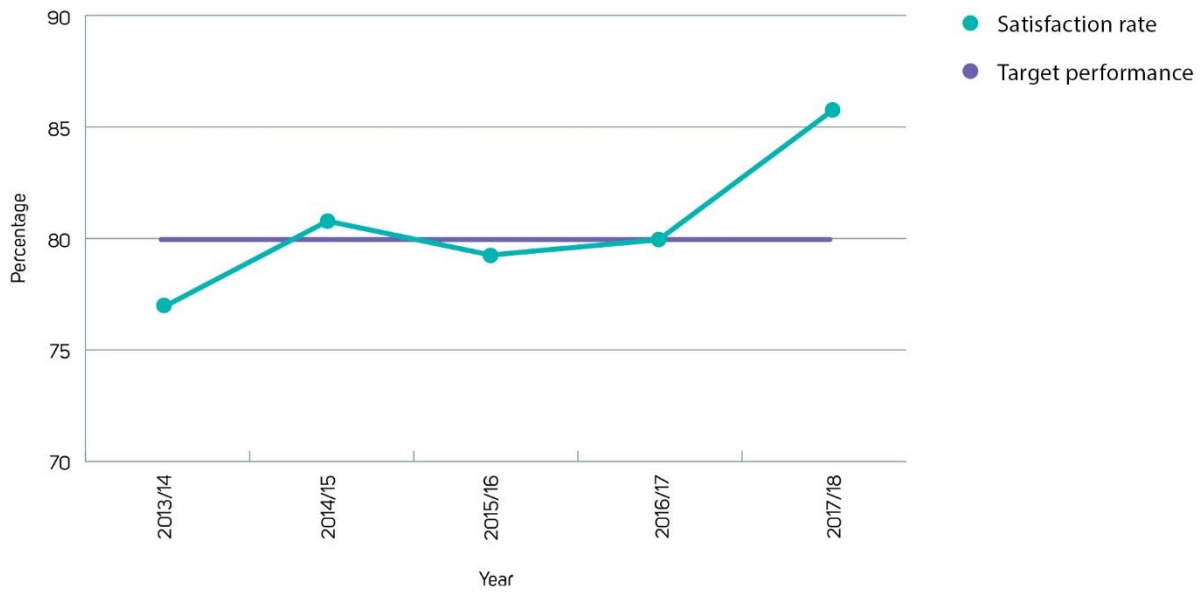
Performance against targets in the Water Supply activity in 2017/2018 was better than in 2016/2017. Those targets achieved in 2016/2017 were again achieved this year and we were able to measure and report on our response times to call-outs as a result of improvements we have made to the recording system. In addition we achieved the target for the number of temporary boil water notices in 2017/2018.

Most of the water schemes still do not have protozoa treatment installed. A programme of works has been approved which sees the remaining treatment plants upgraded within the next 5 years.

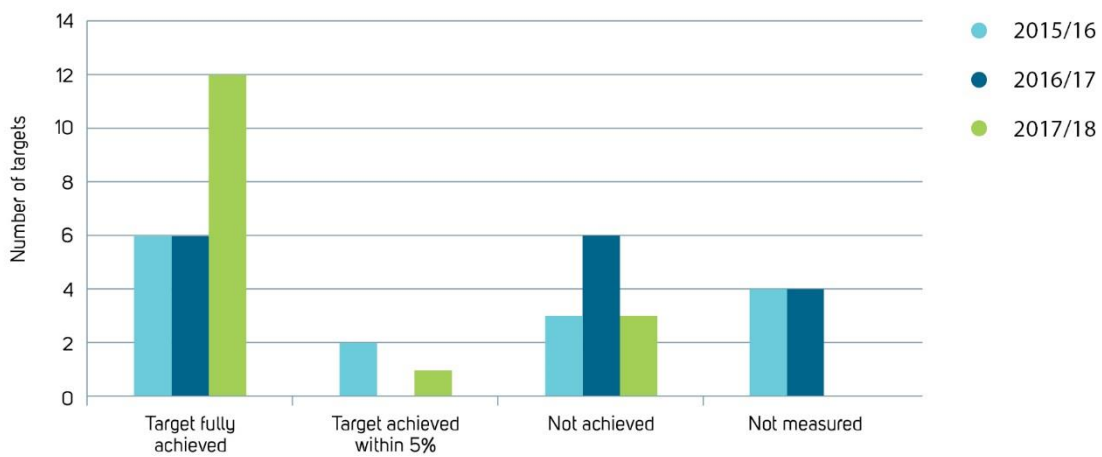
The Richmond scheme has a high-tech treatment plant with UV disinfection, however bacteria continue to be detected in the reticulation, and after water has passed through a balance tank. This is because there is no permanent chlorine residual in the system. Recontamination of water in a water supply network (e.g. through tanks, pipe bursts and backflow) is a known risk. Permanent chlorination would greatly reduce this risk and ensure compliance. This may be a future requirement of the NZ Drinking Water Standards.

Many of the water supplies have had minor programming changes added in 2017/2018 which ensure that the plants automatically shut down in the event that source water quality deteriorates below specified trigger levels. This is the reason Brightwater did not comply last year, but did comply this year. This is a temporary measure in most cases until the plants are upgraded.

**Figure 25**  
Water Supply Services Satisfaction Rate



**Figure 26**  
Water Supply Performance Measures  
Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

The Water Supply group of activities involves ongoing management, maintenance and renewal of Council's water supply network, comprising supply pipelines, pumping stations, domestic connections, reservoirs and break pressure tanks, and the Wai-iti water storage dam.

In addition to the major projects outlined in the table there are ongoing pipeline, valve, telemetry, water meter, and restrictor renewals occurring throughout the 10 years, which are planned to cost millions of dollars during the period.

## NEW CAPITAL EXPENDITURE

PROJECT NAME	LTP YEARS 1- 3	2017/2018 BUDGET	ACTUAL 2017/2018
Collingwood – treatment upgrade	\$581,358	\$0	<p>Upgrade the existing treatment plant to meet DWSNZ and reduce contamination risks: \$23,060 was spent in the 2017/2018 year. \$21,674 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$21,674.</p> <p>The concept design for improvements to the plant and bore have been completed. A second water supply bore has been constructed. Budget variance is not significant.</p>
Kaiteriteri – treatment upgrade	\$895,314	\$739,500	<p>Upgrade the existing supply by drilling a second supply bore and building a new water treatment plant to meet DWSNZ: \$1,562,512 was spent in the 2017/2018 year. \$867,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$1.606 million.</p> <p>Work has progressed well and the facility will be commissioned and handed over to the operators in August. The work is on budget and on time.</p>
Richmond – Fauchelle Avenue, Darcy Street and Florence Street	\$1,055,789	\$0	<p>Renewing of old failing water mains: \$660,664 was spent in the 2017/2018 year. \$571,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$571,000.</p> <p>All physical work was complete by November 2017. Additional costs were incurred as a result of water quality/reticulation contamination issues and additional scope.</p>
Richmond – Lower Queen Street replacement	\$891,046	\$433,500	<p>Upsizing and replacing the existing 100mm main down Lower Queen Street: \$739,036 was spent in the 2017/2018 year. \$551,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$985,000.</p> <p>The project is in construction and due to be completed end September 2018. There have been some delays owing to contractor resource availability, the impact of ex-Cyclone Gita and some technical challenges during construction.</p>

PROJECT NAME	LTP YEARS 1- 3	2017/2018 BUDGET	ACTUAL 2017/2018
Richmond – Queen Street main replacement	\$1,925,751	\$748,986	<p>Replacing the 300mm, 100mm pipes and all laterals in the main Queen Street with larger diameter pipes to future proof the new street in conjunction with other upgrades of infrastructure:</p> <p>\$1.136 million was spent in the 2017/2018 year against an adjusted budget by way of Council resolution of \$1.115 million (an increase of \$20,690). The total and final cost of the project was \$2.535 million.</p> <p>The extra costs were due to actual tender prices, a change to the contract value in 2017/2018 and extra water reticulation components identified as required during the construction including replacing all meters. The work on the new trunk main and secondary main in Queen Street was successful and has safeguarded these assets for the next 50-80 years</p>
Wakefield – new water treatment plant	\$4,081,257	\$467,160	<p>Construct a new treatment plant at Spring Grove to meet DWSNZ:</p> <p>\$315,742 was spent in the 2017/2018 year. \$233,000 was taken out from the budget by way of Council resolution in 2017/2018 bringing the total to \$233,000.</p> <p>Works are progressing to assess water quality to enable detail design to continue. Power has been supplied to the site and remote quality monitoring equipment installed. Detail design is continuing on the pipeline route to get water from the new bore site to Wakefield.</p>
Waimea Community Dam	\$14,504,791	\$1,600,000	<p>This project was expected to proceed via a CCO for the construction of a new Dam:</p> <p>\$4.52m was spent in the 2017/2018 year of which WIL funded \$1.238m. Significant progress had been made on the funding, governance, land access and construction price aspects of the Waimea Community Dam project. However, this progress had been slower than anticipated. Subsequent to the end of the financial year, the final price of construction and design was established at a level requiring an additional \$26 million in capital funding. Council decided that it no longer supported the project in principle in late August 2018. Please see more detailed information on the Waimea Community Dam on page 15.</p>
Water meter renewals	\$2,765,911	\$74,2971	<p>Three year water meter renewal project:</p> <p>\$809,331 was spent in the 2017/2018 year.</p> <p>This project was completed early and successfully installed new meters in Motueka, Kaiteriteri, Pohara, Collinwood and Richmond.</p>

PROJECT NAME	LTP YEARS 1- 3	2017/2018 BUDGET	ACTUAL 2017/2018
Richmond – pipes and rider mains renewals	\$472,423	\$0	Pipeline renewal programme: \$3,374 was spent in the 2017/2018 year. Little work was carried out 2017/2018.
Richmond South main, Lower Queen Street to low level reservoir	\$538,444	\$867,000	New main along Borck Creek to facilitate development: \$526,194 was spent in the 2017/2018 year. Work has progressed well in cooperation with developers as part of the Richmond West development.
Renewals contingency	\$472,423	\$159,493	Contingency amount to allow for miscellaneous renewals on an as required basis: \$156,191 was spent in the 2017/2018 year. A number of failed rider-mains have been replaced out of this budget.
Richmond – telemetry upgrade	\$298,389	\$79,746	New control panels and telemetry and renewals of existing sites: \$105,734 was spent in the 2017/2018 year. \$22,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$102,000. The budget was exceeded by \$3,380 due to some minor increases in scope of works.
Relocate Fearons Bush Water Treatment Plant (WTP) to Parkers Street Water Treatment Plant	\$688,790	\$357,000	Relocate Fearons Bush WTP to Parker Street WTP and extend mains in Jocelyn Avenue and Parker Street: \$236,955 was spent in the 2017/2018 year. \$637,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$994,000. Water quality testing and design for the new Motueka WTP at Parker Street is ongoing and when operational Fearons Bush WTP will be decommissioned.
Pohara Water Treatment Plant upgrade	\$207,260	\$0	Pohara Water Treatment Plant Upgrade: \$31,464 was spent in the 2017/2018 year. \$42,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$42,000. Remaining funding was transferred to the new Kaiteriteri Water Treatment Plant project. Minor building improvements were completed at Pohara as well as conceptual design of the treatment plant improvements.
Richmond – Water Pressure Zone Change	\$387,835	\$326,062	Richmond Rezoning McGlashen Avenue \$74,730 was spent in the 2017/2018 year. \$80,000 was taken out from the budget by way of Council resolution in 2017/2018 bringing the total to \$246,000. Installation of the new pressure main under State Highway 6, designed to improve flows in the system was completed in July 2018.

## FUNDING IMPACT STATEMENT - WATER SUPPLY

LTP 2017 \$000	Actual 2017 \$000		Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
171	171	General rates, uniform annual general charges, rates penalties	212	212	567	100%
8,946	8,607	Targeted rates	8,973	8,760	9,600	102%
0	0	Subsidies and grants for operating purposes	0	0	0	0%
1,426	1,571	Fees and charges	1,600	1,344	1,621	119%
0	0	Internal charges and overheads recovered	0	0	0	0%
353	311	Local authorities fuel tax, fines, infringement fees, and other receipts	319	393	371	81%
<b>10,896</b>	<b>10,660</b>	<b>Total operating funding</b>	<b>11,104</b>	<b>10,709</b>	<b>12,159</b>	<b>104%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
4,864	5,128	Payments to staff and suppliers	6,622	4,850	4,977	137%
2,316	1,561	Finance costs	1,542	1,629	2,949	95%
1,174	1,311	Internal charges and overheads applied	1,403	1,260	1,220	111%
0	0	Other operating funding applications	0	0	0	0%
<b>(8,354)</b>	<b>(8,000)</b>	<b>Total applications of operating funding</b>	<b>(9,567)</b>	<b>(7,739)</b>	<b>(9,146)</b>	<b>124%</b>
<b>2,542</b>	<b>2,660</b>	<b>Surplus/(deficit) of operating funding</b>	<b>1,537</b>	<b>2,970</b>	<b>3,013</b>	<b>52%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
652	711	Development and financial contributions	1,235	609	609	203%
5,433	2,680	Increase (decrease) in debt	8,065	3,591	13,446	225%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>6,085</b>	<b>3,391</b>	<b>Total sources of capital funding</b>	<b>9,300</b>	<b>4,200</b>	<b>14,055</b>	<b>221%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
Capital expenditure						
0	0	- to meet additional demand	526	970	603	54%
956	247	- to improve the level of service	451	600	3,678	75%
5,798	5,238	- to replace existing assets	8,835	4,420	1,338	200%
(21)	566	Increase (decrease) in reserves	1,025	(420)	127	-244%
1,894	0	Increase (decrease) in investments	0	1,600	11,322	0%
<b>(8,627)</b>	<b>(6,051)</b>	<b>Total applications of capital funding</b>	<b>(10,837)</b>	<b>(7,170)</b>	<b>(17,068)</b>	<b>151%</b>
<b>(2,542)</b>	<b>(2,660)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(1,537)</b>	<b>(2,970)</b>	<b>(3,013)</b>	<b>52%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

**Payments to Staff and Suppliers** – Additional spend incurred related to the Waimea Dam. **Debt** – The result of a higher capital spend means more debt was raised than planned. **Reserve Movement Increase or Decrease** – The movement in reserve is a reflection of the overspend in expenditure.



## WASTEWATER

### WHAT WE DO

Tasman District Council provides and manages wastewater collection, treatment and disposal facilities for ratepayers connected to Council's 12 wastewater networks. These networks convey wastewater to eight treatment plants, seven of which are owned and managed by Council. The largest treatment plant, Bell Island, is owned by both Nelson and Tasman Councils on a 50:50 basis and managed by the Nelson Regional Sewerage Business Unit.

### WHY WE DO IT

The provision of wastewater services is a core public health function of Local Government and is something that Council has always provided. By undertaking the planning, implementation and maintenance of wastewater services Council promotes and protects public health within 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.




### 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 COUNCIL'S COMMUNITY OUTCOMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOMES
Our unique natural environment is healthy and protected.	All wastewater in 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.
Our urban and rural environments are people-friendly, well-planned and sustainably managed.	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.
Our infrastructure is efficient, cost effective and meets current and future needs.	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 AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Our wastewater systems do not adversely affect the receiving environment	<p>All necessary consents are held. Measured by resource consents held in Council's NCS database.</p> <p>(Target: 100%.)</p>	 <p>We have all necessary consents in place meeting our 100% target</p> <p>This compares with 100% of consents in place in 2016/2017.</p>
	<p>The number of temporary wastewater overflow signs are erected at waterways is minimised. Measured by the number of contractor job requests.</p> <p>(Target: &lt;5.)</p>	 <p>Temporary wastewater overflow signs were erected at waterways at 11 different locations. These overflows were the result of 6 rainfall events, including the two ex-cyclones, and one blockage. For one of the events, signs were erected as a precautionary measure as there may not have been an overflow.</p> <p>This compares with signs being erected at 6 locations in 2016/2017.</p> <p><b>See figure 27: Number of Temporary Wastewater Overflow Signs Erected at Waterbodies on page 117.</b></p>
	<p>Compliance with resource consents for discharges from wastewater systems is achieved, as measured by the number of:</p> <ul style="list-style-type: none"> <li>• abatement notices (≤1)</li> <li>• infringement notices (0)</li> <li>• enforcement orders (0)</li> <li>• convictions (0).</li> </ul>	 <p>No abatement or infringement notices, nor enforcement orders issued or convictions received for the wastewater asset.</p> <p>There were no notices or enforcement orders received in 2016/2017.</p>

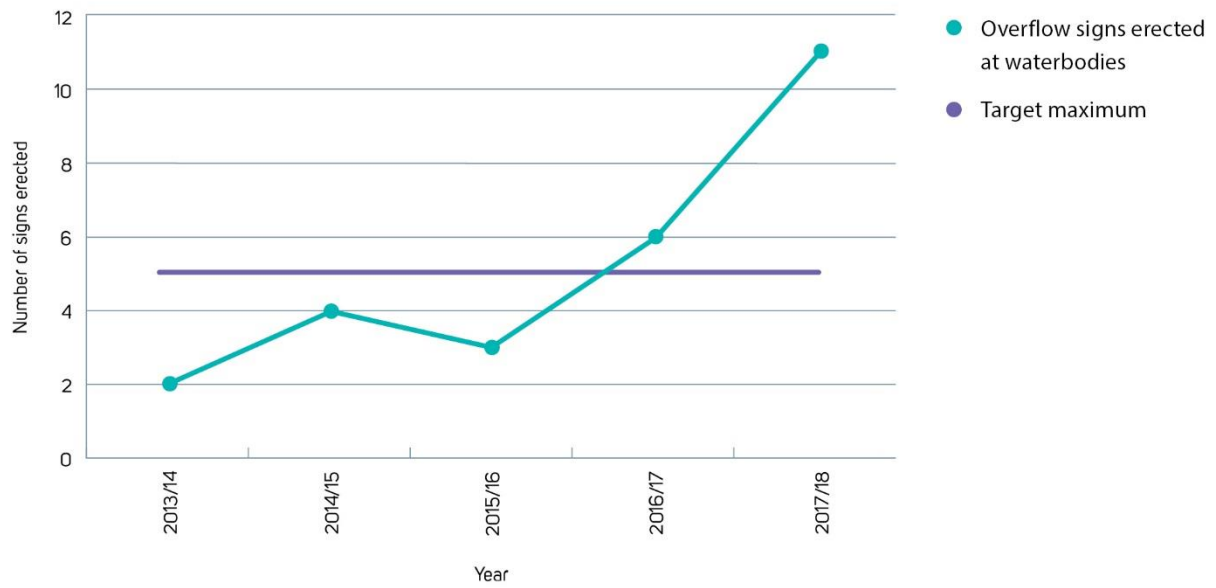
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Our wastewater systems reliably take our wastewater with a minimum of odour or disturbance to the public.</p>	<p>The total number of complaints received about: odour, system faults, blockages, and Council’s response to issues for each 1,000 properties connected to the wastewater system is less than the target. (Target: ≤ 35.)</p>	 <p>Generally, we have treated overflows or blockages as requests for service. In total 12 complaints were received by us; 2 for noise and 10 for odour. All the odour complaints were one-off events. This equates to 0.85 per 1,000 connections.</p> <p>Compared with 21 complaints received in 2016/2017.</p> <p><b>See Figure 28: Total Number of Complaints per 1,000 properties connected on page 117.</b></p>
	<p>The number of dry weather wastewater overflows from all wastewater systems, expressed per 1,000 wastewater connections in Tasman District. Dry weather is defined as a continuous 96 hours with less than 1mm of rain within each 24 hour period. (Target: &lt;5.)</p>	 <p>This year there were 1.3 dry weather overflows per 1,000 connections. A “dry weather overflow” is measured as any wastewater overflow that did not occur because of a rain event, and data is collected on wet and dry days. There were a total of 18 dry weather overflows, 6 were rising main breaks and the rest were due to blockages in the gravity network.</p> <p>Compared with 1.7 dry weather overflows per 1,000 connections in 2016/2017.</p>
<p>Our wastewater activities are managed at a level that satisfies the community</p>	<p>Percentage of customers satisfied with the wastewater service meets our targets. As measured through the annual Residents’ Survey. (Target: 80%.)</p>	 <p>In 2018, 94% of residents who receive a service were satisfied or very satisfied with our wastewater service. Only 3 % of residents who receive a service were not very satisfied. The main reasons for dissatisfaction were inadequate system/blockages/overflows.</p> <p>This compares with 94% of residents who receive a service satisfied or very satisfied in 2016/2017 and 4% not very satisfied</p> <p><b>See Figure 29: Wastewater Services Satisfaction Rate on page 118.</b></p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Our wastewater systems are built, operated and maintained so that failures can be managed and responded to quickly</p>	<p>Overflows resulting from blockages or other faults in the wastewater system are responded to within the target timeframes. As recorded in Confirm.</p> <p>Attendance time – from the time Council received notification of the fault to the time that service personnel reach the site (Target: Median <math>\leq</math> 60 mins).</p>	 <p>The recorded median was 84 minutes. However, only 76% of the overflows or blockages were measured. As a result we have marked this result as 'Not Measured'. There were still some issues with accurate recording of response times.</p> <p>This target was not measured in 2016/2017 due to faults in the system to record response times.</p>
	<p>Resolution time – from the time notification is received to the time that the service personnel confirm resolution of the blockage or other fault. (Target: Median <math>\leq</math> 9 hours)</p>	 <p>The recorded median was 7.7 hours. However only 76% of the overflows or blockages were measured. As a result we have marked this result as 'Not Measured'. There were still some issues with accurate recording of response times.</p> <p>This target was not measured in 2016/2017 due to faults in the system to record response times.</p>

Many of the performance measures in for the wastewater activity were slightly amended in the LTP 2015-2025, and one new measure was introduced relating to compliance with resource consent conditions. The Wastewater activity group achieved a similarly high proportion of its targets as in 2016/2017. Whilst we were still unable to measure all response times to wastewater overflows, we did successfully measure 76% of them and can show results for these. We will continue to improve our systems of measurement for response time. We continue to experience a higher number of overflows than our target.

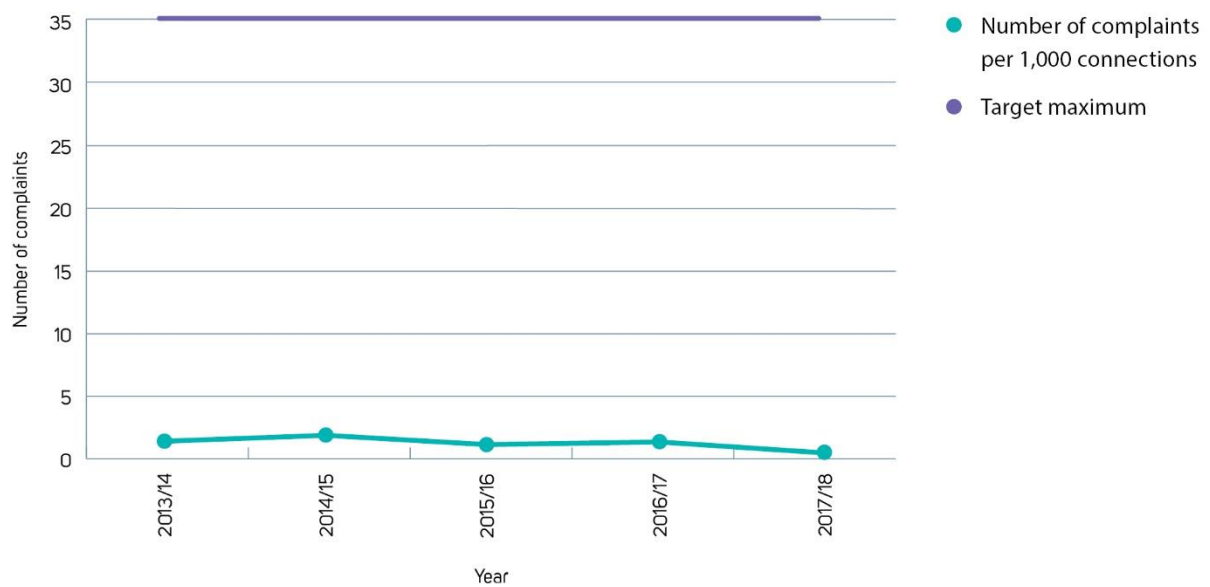
**Figure 27**

Number of Temporary Wastewater Overflow Signs Erected at Waterbodies

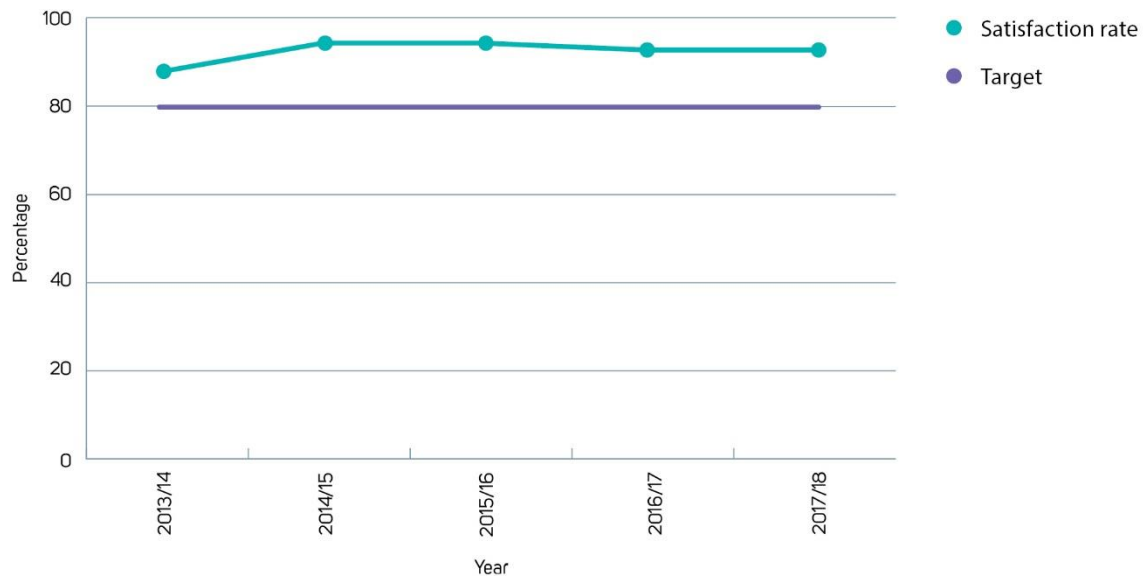


**Figure 28**

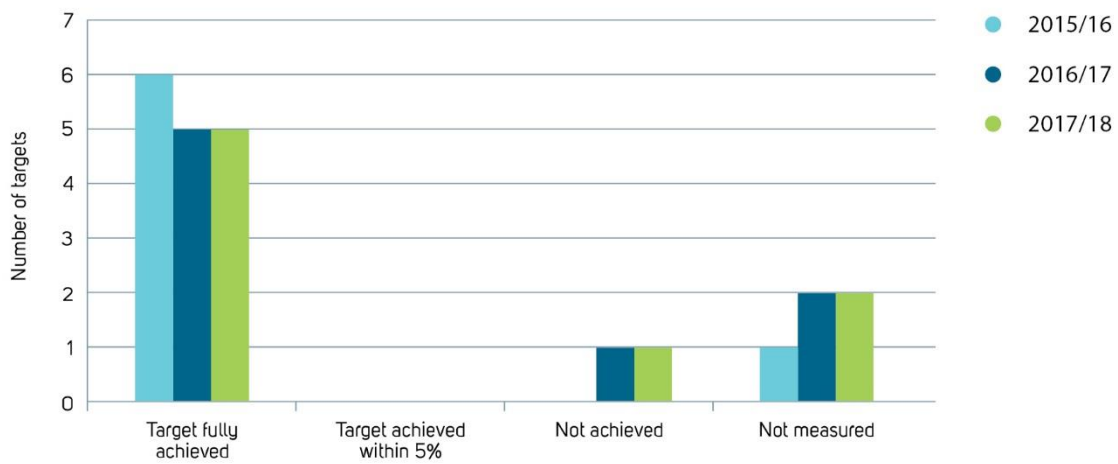
Total Number of Complaints per 1,000 properties connected



**Figure 29**  
Wastewater Services Satisfaction Rate



**Figure 28**  
Wastewater Performance Measures  
Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

This group of activities involves ongoing management, maintenance and renewal of Council's wastewater network, comprising wastewater treatment plants and sewerage collection systems (made up of pipelines, manholes and sewage pump stations).

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Motueka Wastewater Treatment Plant (WWTP) upgrade	\$2,726,100	\$969,000	<p>Motueka Wastewater Treatment Plant upgrade:</p> <p>\$465,237 was spent in the 2017/2018 year. \$500,000 was taken out from the budget by way of Council resolution in 2017/2018 bringing the total to \$469,000.</p> <p>The upgrade contract is complete, however there are a few minor defects to be resolved from the remaining budget.</p>
Pohara to Tarakohe rising main and pump station upgrades	\$281,046	\$277,469	<p>Progressive upgrade of rising mains and pump stations, including emergency storage, from Four Winds to Tarakohe pump stations: \$268,731 was spent in the 2017/2018 year.</p> <p>The upgrade design has been completed, land purchased and a contract let for the physical works. The contractor is expected to start work in September 2018.</p>
Kaiteriteri Replacement Sewer Main (previously Tapu Bay Pipeline)	\$3,983,569	\$ 3,810,081	<p>Replace estuary pipeline with land based pipeline: \$2,549,499 was spent in the 2017/2018 year.</p> <p>The sewer main has been installed in the main road and work has started on the pump stations at Tapu Bay and Stephens Bay. There was a delay to the project owing to contractor resource availability across three Council contracts, and it was agreed the works on this contract could be delayed to allow other projects to be completed.</p>
Richmond Central Improvement, Queen Street – Wastewater Pipe Replacement	\$223,029	\$263,466	<p>\$320,692 was spent in the 2017/2018 year. \$66,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$330,000.</p> <p>The increase in budget was part of the agreement to amend the contract to a lump sum. Works are completed except for remedying of defects.</p>
New Telemetry for Wastewater Facilities	\$654,790	\$186,075	<p>\$221,402 was spent in the 2017/2018 year. \$47,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$233,000.</p> <p>100% of the budget was allocated but some work is being completed in July/August 2018. The radio supplier was unable to supply all the radios needed.</p>

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Pump Station Plan Replacement	\$1,102,066	\$412,505	<p>Mechanical &amp; Electrical Renewals at Pump Stations &amp; Wastewater Treatment Plants \$456,819 was spent in the 2017/2018 year. \$133,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$545,000.</p> <p>Not all of the planned renewal work was able to be completed due to contractor resourcing.</p>



## FUNDING IMPACT STATEMENT - WASTEWATER

LTP 2017 \$000	Actual 2017 \$000		Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
0	0	General rates, uniform annual general charges, rates penalties	0	0	0	0%
11,035	10,463	Targeted rates	10,354	10,380	11,080	100%
0	0	Subsidies and grants for operating purposes	0	0	0	0%
270	561	Fees and charges	398	99	397	402%
0	0	Internal charges and overheads recovered	0	0	0	0%
4,866	2,887	Local authorities fuel tax, fines, infringement fees, and other receipts	3,041	4,866	4,904	62%
<b>16,171</b>	<b>13,911</b>	<b>Total operating funding</b>	<b>13,793</b>	<b>15,345</b>	<b>16,381</b>	<b>90%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
9,054	6,480	Payments to staff and suppliers	7,745	9,206	9,298	84%
2,125	1,537	Finance costs	1,238	1,338	2,045	93%
1,357	1,346	Internal charges and overheads applied	1,424	1,312	1,338	109%
0	0	Other operating funding applications	0	0	0	0%
<b>(12,536)</b>	<b>(9,363)</b>	<b>Total applications of operating funding</b>	<b>(10,407)</b>	<b>(11,856)</b>	<b>(12,681)</b>	<b>88%</b>
<b>3,635</b>	<b>4,548</b>	<b>Surplus/(deficit) of operating funding</b>	<b>3,386</b>	<b>3,489</b>	<b>3,700</b>	<b>97%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
1,601	1,343	Development and financial contributions	2,100	1,506	1,506	139%
(2,262)	(311)	Increase (decrease) in debt	2,626	2,237	(2,256)	117%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>(661)</b>	<b>1,032</b>	<b>Total sources of capital funding</b>	<b>4,726</b>	<b>3,743</b>	<b>(750)</b>	<b>126%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
Capital expenditure						
63	0	- to meet additional demand	1	106	108	1%
289	349	- to improve the level of service	653	708	690	92%
2,622	3,983	- to replace existing assets	4,835	5,683	2,152	85%
0	1,248	Increase (decrease) in reserves	2,623	735	0	357%
0	0	Increase (decrease) in investments	0	0	0	0%
<b>(2,974)</b>	<b>(5,580)</b>	<b>Total applications of capital funding</b>	<b>(8,112)</b>	<b>(7,232)</b>	<b>(2,950)</b>	<b>112%</b>
<b>(3,635)</b>	<b>(4,548)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(3,386)</b>	<b>(3,489)</b>	<b>(3,700)</b>	<b>97%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

**Reserve Movement increase or Decrease** – The movement in reserve is a reflection of the underspend in this activity, which has increased the surplus.

## 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, discharge structures and quality treatment assets. The system is designed and operated to manage small to medium storm events.

The stormwater sumps and road culvert assets are generally owned and managed under Council's Transportation activity or by the New Zealand Transport Agency, depending upon whether they are located on local roads or state highways. This stormwater activity does not include land drains or river systems, which are covered under Council's Flood Protection and River Control Works activity. Nor does it cover stormwater systems in private ownership.

Council manages its stormwater activities in 15 Urban Drainage Areas (UDA) and one General District Area. The General District Area covers the entire District outside the UDA. Typically these systems include small communities with stormwater systems that primarily collect and convey road runoff to suitable discharge points.

### WHY WE DO IT

Council undertakes the stormwater activity to minimise the risk of flooding of buildings and property from surface runoff, as opposed to flooding from rivers and streams which is dealt with under the Flood Protection and River Control Works activity. By providing a high-quality stormwater network, Council enables the safe and efficient conveyance and disposal of stormwater from the urban drainage areas, which improves the economic and social wellbeing of the District by protecting people and property from regular surface flooding.

Council has 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 means it also becomes the logical network for dealing with private stormwater disposal.

The level of service chosen takes into consideration the cost/benefit to the community of Council providing the infrastructure.

### 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 COUNCIL'S COMMUNITY OUTCOMES



COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our unique natural environment is healthy and protected.	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 urban and rural environments are people-friendly, well-planned and sustainably managed.	The 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.
Our infrastructure is efficient, cost effective and meets current and future needs.	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 communities are healthy, safe, inclusive and resilient.	The stormwater activity provides for the transfer of runoff through urban areas to minimise risk to life and property damage.
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	The stormwater activity incorporates natural waterways that have extensive areas of high cultural, recreational and biodiversity.
Our communities have access to a range of social, educational and recreational facilities and activities.	The stormwater activity provides for runoff management to minimise disruption of access to community facilities due to storm events.
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	The stormwater activity provides for runoff management across the territorial boundary with Nelson City. Schools, Iwi and other groups are engaged with the natural waterways elements of the network.
Our region is supported by an innovative and sustainable economy.	The stormwater activity underpins the economy by minimising risk and damage from flooding. Allowance for climate change in design provides for future sustainability.

## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Our stormwater systems do not adversely affect or degrade the receiving environment.	<p>Council has resource consents in place for each of the 15 stormwater UDAs. Resource consents are held in Council's Confirm database (Target: 4 out of 15 [Richmond, Motueka, Takaka and Mapua].)</p>	 <p>A global resource consent application for all UDA's within the District is to be applied for before the end of December 2018. A draft consent application is in preparation and should be available in September 2018.</p> <p>This target was not achieved in 2016/2017 with no resource consents in place for the stormwater UDAs.</p>
We have adequate knowledge of our stormwater systems capacity and usage to facilitate Improvement.	<p>Compliance with resource consents is achieved, as measured by the number of: abatement notices (<math>\leq 1</math>) infringement notices (0) enforcement orders (0), or convictions issued (0). (Mandatory measure 2).</p> <p>The number of Urban Drainage Areas that have Catchment Management Plans meets the target. (Target: 4)</p>	 <p>While the Council does not have resource consents in place for full UDA's, it does hold a number of individual stormwater consents. There have been no notices or orders received in 2017/2018.</p> <p>This compares with no notices or orders received in 2016/2017.</p>  <p>No catchment management plans (CMP) have been produced yet.</p> <p>Richmond CMP is being developed and is to be finished by the end of December 2018. Motueka CMP is to be finished by the end of June 2019 and then at least 1 finished over each subsequent year.</p> <p>This compares with no Catchment Management Plans in place in 2016/2017.</p>

## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

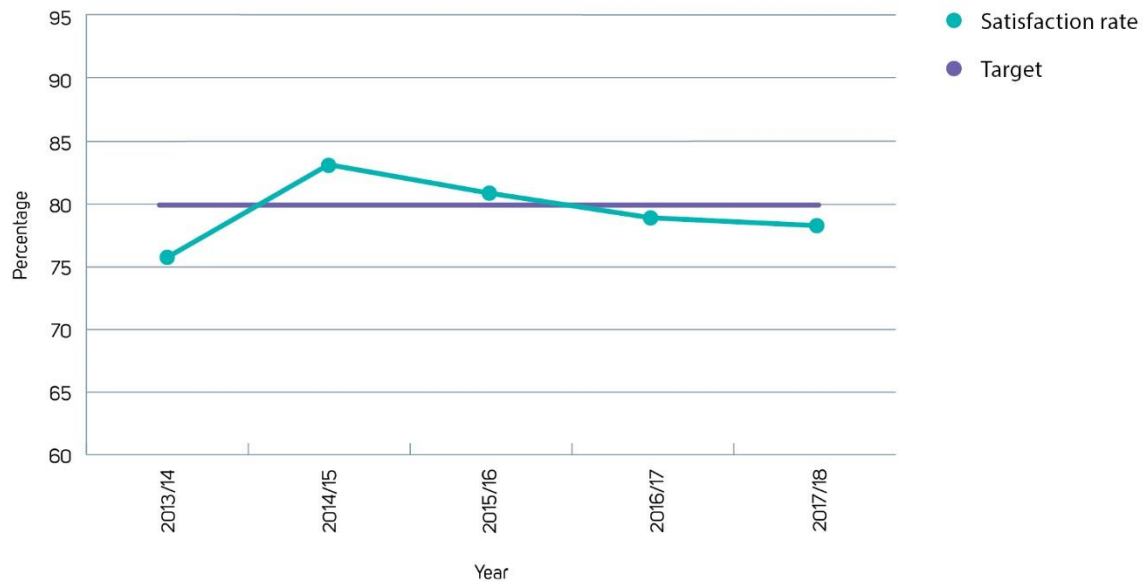
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We have adequate knowledge of our stormwater systems capacity and usage to facilitate Improvement (cont.)</p>	<p>The number of flooding events that occur (per year) is less than the target. As measured through complaints recorded in the Confirm database. (Mandatory measure 1). (Target: &lt;20.)</p>	 <p>There was one (1) flooding event in 2017/2018 that caused flooding to habitable floor levels. This is well below the target of 20 events.</p> <p>This compares with no flooding events that affected habitable floors in 2016/2017.</p>
	<p>Number of habitable floors affected in each flood event for each 1000 properties connected to the stormwater system is less than the target. As measured through complaints recorded in the Confirm database. (Mandatory measure 1). (Target: &lt; 5.)</p>	 <p>There was one (1) habitable floor level that flooded within the stormwater UDA's during 2017/2018. This house is in a known floodplain and is owned by Council and is planned for removal as part of a future upgrade project.</p> <p>Note that there was significant house floor level flooding in other areas of the Tasman District that were outside the stormwater UDA's or was the result of sea water inundation.</p> <p>The target aims for less than 5 per 1,000 properties (of which there are 14,257). The actual level was very low at 0.07, well below out target level.</p> <p>Compared with no flooding events that affected habitable floors in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Our stormwater activities are managed at a level which satisfies the community	Percentage of customers satisfied with the stormwater service – as measured through the annual Residents' Survey. (Target: 80%.)	 <p>Residents' Survey results for 2018 show that 78% of customers are fairly satisfied or very satisfied with stormwater services, and 19% are not very satisfied.</p> <p>There was a significant skew of dissatisfaction shown in Motueka and there have been some significant rainfall events in Motueka over the last 3 years. However, Motueka is very flat and unfortunately prone to surface flooding and hence there are likely to be flooding effects even from reasonably small and regularly occurring rainfall events.</p> <p>A significant percentage of the dissatisfaction with stormwater services related to a lack of maintenance of road sumps and the impact from subdivision development increasing flood risk.</p> <p>This compares with 79% of residents who received a service satisfied or very satisfied in 2016/2017 and 19% not very satisfied.</p> <p><b>See Figure 31; Stormwater Service Satisfaction Rate on page 128.</b></p>
Our stormwater activities are managed at a level which satisfies the community (cont.)	Complaints per 1000 connections are less than the target – as recorded through Council's Confirm database. (Mandatory measure 4). (Target: < 20.)	 <p>The total number of stormwater complaints we recorded in our Confirm and NCS databases was 178. This equates to 12.5 complaints per 1,000 properties. This is higher than previous years with improved recording of issues raised.</p> <p>Complaints relate to a wide range of matters such as blockages, flooding, and vegetation in open drains, floodgates, lateral connections and private drainage issues.</p> <p>This compares with 6.9 complaints per 1,000 properties in 2016/2017.</p>

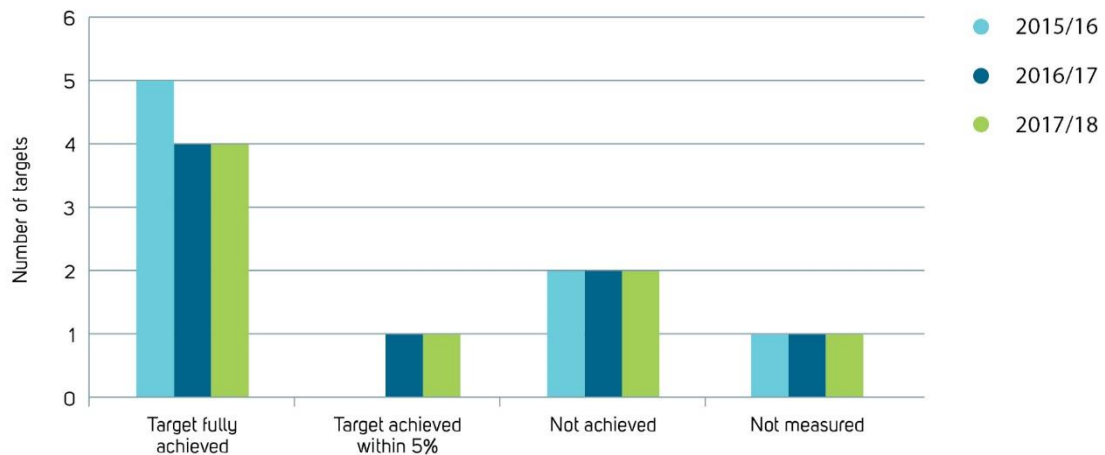
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We have measures in place to respond to and reduce flood damage to property and risk to the community within stormwater UDAs.</p>	<p>The median response time to attend a flooding event, is less than the target (3 hours) – as recorded through Council’s Confirm database. (Mandatory measure 3). (Target: &lt; 3 hours.)</p>	<div data-bbox="954 360 1222 499" data-label="Figure"> </div> <p>The recorded median was 1.7 hours. However only 83% of response times to attend a flooding event were measured. As a result we have marked this result as ‘Not Measured’. There were still issues with accurate recording of all response times.</p> <p>This target was not measured in 2016/2017 due to faults in the system to record response times.</p>

A good percentage of the performance measures were achieved for Stormwater and for those performance measures that were not achieved, work has been advanced and a programme is in place to complete the work. The CMP’s are being prepared, a global discharge consent is now proposed by the end of 2018 and modelling for each town is progressing well and should be completed within the next 2 years. The modelling will lead onto the identification of future upgrade project requirements. A new Operations and Maintenance contract is now in place and a more collaborative approach between the contractor and client will see closer liaison and tracking of performance.

**Figure 31**  
Stormwater Services Satisfaction Rate



**Figure 32**  
Stormwater Performance Measures  
Comparison of number of performance measures met over three years





## MAJOR ACTIVITIES

This group of activities involves ongoing management, maintenance and renewal of Council's stormwater network, encompassing the provision of stormwater collection, reticulation and discharge systems. The assets used to provide this service include drainage channels, pipelines, tide gates, detention ponds, inlet structures, discharge structures and quality treatment assets.

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Pohara main settlement	\$920,700	\$ 375,000	<p>Pohara main settlement.</p> <p>\$92,320 was spent in the 2017/2018 year. \$830,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$1.2 million</p> <p>Modelling and consultation with the public has occurred with a preferred improvement option to install bunds to add protection against flooding of house floor levels. Physical works and the majority of the expenditure for the project will now occur in the 2018/2019 financial year. Delays have been due to option selection, consultation with property owners, detailed design and the resource consent application. The remaining budget will need to be carried forward.</p>
Lower Borcks Creek Catchment Works – SH6 to outlet including land	\$3,149,486	\$1,708,500	<p>Borcks Creek catchment works.</p> <p>\$2.237 million was spent in the 2017/2018 year. \$2.7 million was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$4.435 million.</p> <p>Funding was allocated to construct a new stormwater network in Lower Queen Street, through a new subdivision to Waimea Estuary. The work was delayed owing to negotiations with landowners to secure a route for the new network. The work is in construction and due for completion by October 2018.</p>
Richmond – Middlebank Drive	\$1,292,265	\$0	<p>Installation of stormwater pipe from Gladstone Road to Olympus Way to Middlebank Drive.</p> <p>No funds were spent in the 2017/2018 year.</p> <p>The project is on hold until Richmond modelling is completed and upgrade options can be assessed.</p>

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Richmond Central Improvements	\$7,299,908	\$2,950,860	<p>A five year programme of major works in Queen Street, Oxford Street, Beach Road drain, Poutama link and Washbourn Gardens area.</p> <p>\$ 4.109 million was spent in the 2017/2018 year. \$1.5 million was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$4.5 million.</p> <p>The Queen Street Upgrade project is finished and has met its objectives. Stormwater was the key driver for the upgrade with a final forecast cost of \$6.138 million. The total project budget includes funding from other asset types and is \$14.779 million.</p> <p>The under expenditure compared to the 3 year LTP stormwater budget will be transferred into the wider programme of major Richmond stormwater improvement works.</p>
Richmond – Park Drive	\$1,111,619	\$153,000	<p>Increase capacity through Ridings Grove.</p> <p>No funds were spent in the 2017/2018 year.</p> <p>The project is on hold until Richmond modelling is completed and upgrade options can be assessed.</p>
Richmond – Ranzau Road/Paton Road/ White Road	\$860,792	\$51,000	<p>Upgrade to White Road and Ranzau Road at Paton Road intersection.</p> <p>No funds were spent in the 2017/2018 year.</p> <p>The project is on hold until Richmond modelling is completed and upgrade options can be assessed.</p>
Secondary flow management initiatives	\$317,643	\$148,302	<p>District Wide as derived from the Catchment Management Plans.</p> <p>\$151,846 was spent in the 2017/2018 year. \$1,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$149,000.</p> <p>This was used to contribute towards works done by developers to improve secondary flow management in the Bateup Rd area in Richmond.</p> <p>Funding for further Secondary flow improvements is now proposed to be delayed until 2022.</p>
Richmond Deviation bund drainage	\$969,199	\$153,000	<p>Bird Street and Arbor-Lea works to reduce flood risk.</p> <p>\$ 13,021 was spent in the 2017/2018 year.</p> <p>The project is on hold until Richmond modelling is completed and upgrade options can be assessed. The project works now form part of the 2018/2028 LTP in year 2018/2019 at a cost of \$314,000.</p>

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Motueka drainage improvements	\$48,460	\$0	<p>Poole Street, Jocelyn Avenue, Wilkie and Fry Streets pipe extension to drain low points.</p> <p>\$575,642 was spent in the 2017/2018 year. \$600,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total for the year to \$600,000.</p> <p>The Poole Street stormwater pipe extension has been completed within budget allocation.</p>
Washbourn Garden Stormwater Bypass	\$-	\$408,000	<p>\$372,144 was spent in the 2017/2018 year. \$87,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$495,000.</p> <p>Preliminary Design approved. Due to financial constraints, the project start date has been delayed to July 2021.</p> <p>All preliminary and detailed designs will be in 2018/2019 financial years. Looking at bringing forward other projects that are in the forward works programme in Oxford Street.</p>
Borck Creek Poutama Drain Widening	\$-	\$1,572,840	<p>\$196,106 was spent in the 2017/2018 year. \$899,000 was taken out from the budget by way of Council resolution in 2017/2018 bringing the total to \$674,000.</p> <p>Work has been delayed owing to a protracted negotiation with a landowner to secure additional land needed for widening Poutama Drain. Design work has progressed. Construction has been deferred to year 2022/2023 in the Long Term Plan.</p> <p>The Borck Creek project work has focused on modelling the stormwater flows based on the new Richmond Model and changes to the Borck Catchment to include flows from Washbourn Gardens. There has also been a lot of work assisting developers with planning subdivision stormwater as part of the Borck Creek design. The project has been slightly delayed owing to the need for the Richmond Model to be completed first. The final widening design and construction resource consent will be completed in 2018/2019. We anticipate the remaining funds being carried forward from 2017/2018</p>
Stormwater Land Purchases	\$-	\$2,550,000	<p>Richmond South Stormwater Land Purchase and Richmond West Stormwater Land Purchase. \$ 267,583 was spent in the 2017/2018 year.</p> <p>Land procurement for drainage works has not progressed as well as expected. No significant land purchases in these two areas have occurred this year. The remaining budget will need to be carried forward for 2018/2019.</p>

## FUNDING IMPACT STATEMENT - STORMWATER

LTP 2017 \$000	Actual 2017 \$000		Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
0	0	General rates, uniform annual general charges, rates penalties	0	0	0	0%
4,510	4,473	Targeted rates	4,466	4,426	4,986	101%
0	0	Subsidies and grants for operating purposes	0	0	0	0%
0	0	Fees and charges	0	15	0	0%
0	0	Internal charges and overheads recovered	0	0	0	0%
106	271	Local authorities fuel tax, fines, infringement fees, and other receipts	195	129	106	151%
<b>4,616</b>	<b>4,744</b>	<b>Total operating funding</b>	<b>4,661</b>	<b>4,570</b>	<b>5,092</b>	<b>102%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
1,443	1,056	Payments to staff and suppliers	1,305	1,429	1,404	91%
1,172	827	Finance costs	785	902	1,398	87%
586	548	Internal charges and overheads applied	666	664	599	100%
0	0	Other operating funding applications	0	0	0	0%
<b>(3,201)</b>	<b>(2,431)</b>	<b>Total applications of operating funding</b>	<b>(2,756)</b>	<b>(2,995)</b>	<b>(3,401)</b>	<b>92%</b>
<b>1,415</b>	<b>2,313</b>	<b>Surplus/(deficit) of operating funding</b>	<b>1,905</b>	<b>1,575</b>	<b>1,691</b>	<b>121%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
1,486	1,309	Development and financial contributions	2,435	1,392	1,392	175%
3,529	1,116	Increase (decrease) in debt	6,070	4,890	3,717	124%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>5,015</b>	<b>2,425</b>	<b>Total sources of capital funding</b>	<b>8,505</b>	<b>6,282</b>	<b>5,109</b>	<b>135%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
<b>Capital expenditure</b>						
89	26	- to meet additional demand	0	0	1,292	0%
2,221	356	- to improve the level of service	806	2,201	1,432	37%
4,120	3,164	- to replace existing assets	7,732	8,383	4,076	92%
0	1,192	Increase (decrease) in reserves	1,872	(2,727)	0	-69%
0	0	Increase (decrease) in investments	0	0	0	0%
<b>(6,430)</b>	<b>(4,738)</b>	<b>Total applications of capital funding</b>	<b>(10,410)</b>	<b>(7,857)</b>	<b>(6,800)</b>	<b>132%</b>
<b>(1,415)</b>	<b>(2,313)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(1,905)</b>	<b>(1,575)</b>	<b>(1,691)</b>	<b>121%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

**Capital expenditure** - The programme of work was not completed as expected. **Debt** - The result of a higher capital spend means more debt was raised than planned. **Reserve Movement Increase or Decrease** – The movement in reserve is a reflection of the underspend in this activity, which has increased the surplus.

## SOLID WASTE

### WHAT WE DO

Council provides comprehensive waste management and minimisation services. It achieves this through the provision of kerbside recycling and waste collection services, operating five resource recovery centres – at Richmond, Mariri, Takaka, Collingwood and Murchison, and a range of other waste minimisation initiatives.

Waste from resource recovery centres has been transferred to a Council owned landfill and recyclable material is processed and on-sold by Council contractors. All public and commercial waste disposal is through the resource recovery centres with special waste disposed of directly to landfill.

Council promotes waste minimisation through kerbside collection of recyclable materials, ongoing educational programmes, and drop-off facilities for green waste, reusable and recyclable materials.

Council manages 22 closed landfills located throughout the District, and responds to illegal dumping incidents.

On 1 July 2017 the control of the Eves Valley landfill and the York Valley landfill in Nelson City transferred to the Nelson Tasman Regional Landfill Business Unit. This joint business with Nelson City Council is governed by the Nelson Tasman Regional Landfill Business Unit Committee.

### WHY WE DO IT

The efficient and effective collection and disposal of waste protects both public health and the environment. Waste minimisation activities promote efficient use of resources and extend the life of Council's landfill assets.

The Waste Minimisation Act 2008 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.

Under this legislation Council is required to prepare a Waste Management and Minimisation Plan (WMMP). This plan sets the strategic direction of Council for solid waste management. Council has elected to do this jointly with Nelson City Council. The review of the joint WMMP is commenced this year.

### OUR GOAL

Council's long term goals for solid waste management are contained in the Waste Management and Minimisation Plan.


They are to:

- Avoid the creation of waste.
- Improve the efficiency of resource use.
- Reduce the harmful effects of waste.




### HOW THIS ACTIVITY CONTRIBUTES TO THE COUNCIL'S COMMUNITY OUTCOMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOMES
Our unique natural environment is healthy and protected.	All material that is collected by 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 urban and rural environments are people-friendly, well planned and sustainably managed.	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.
Our infrastructure is efficient, cost effective and meets current and future needs.	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 AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide effective waste minimisation activities and services</p>	<p>There is an increase in resources diverted from landfill by Council services.</p> <p>As measured monthly and reported annually on a per capita basis (Target 223kg per capita.)</p>	 <p>This year we diverted 6,311 tonnes from landfill (123 kg per capita). Our recycling tonnages increased this year while our reported greenwaste reduced significantly.</p> <p>This compares with 8,377 tonnes of recycling and greenwaste diverted from landfill in 2016/2017.</p> <p>The greenwaste reduction was because greenwaste in Richmond that was previously diverted through a Council contract was outside of a Council contract (without any need for support from Council) for the entirety of the 2017/2018 year. The operator of this site estimates that 1,239 tonnes were diverted in 2017/2018, and if this were reported in our annual report then our total diversion would be 147kg per capita.</p> <p><b>See Figure 33: Total Resources Diverted from Landfill per head (kg p.a.) on page 137.</b></p>
	<p>There is a reduction in waste per capita going to landfill as measured by tonnage recorded at landfill. (Target: 560kg per capita.)</p>	 <p>This year a total of 27,721 tonnes was sent to landfill through Tasman District Council Resource Recovery Centres (541kg per capita) but this total excludes any special waste generated in the district or other waste that is sent directly to landfill.</p> <p>The total waste to landfill for all of the Nelson-Tasman region (including special waste) was 73,575 tonnes (717kg per capita), which exceeds the target. A significant factor in this increase was the disposal of contaminated soil from subdivisions.</p> <p>This target was not achieved in 2016/2017 with waste per capita growing to 693 kg.</p> <p><b>See Figure 34: Waste to Landfill per capita (kg p.a.) on page 137.</b></p>

## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

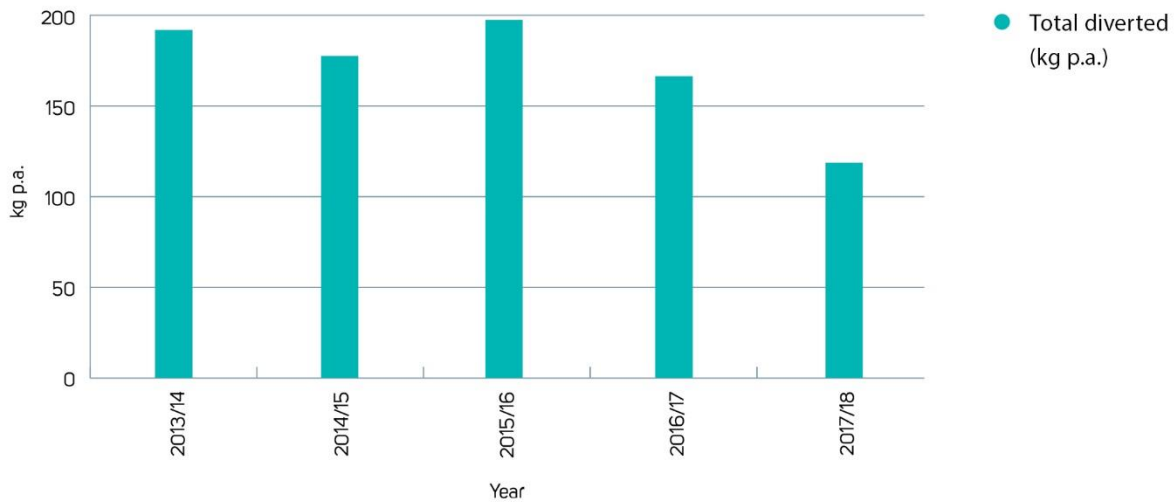
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
We provide effective waste minimization activities and services. Our kerbside recycling and bag collection services are reliable and easy to use.	% of enquiries resolved within 24 hours – as measured through Confirm. (Target: 95%.)	 <p>This year our contractor responded to 97% of all enquiries within 24 hours. In some cases the enquiry has required multiple responses and we have reported on the first response time.</p> <p>This compares with 93% of all enquiries responded to within 24 hours in 2016/2017.</p>
	% customer satisfaction with kerbside recycling services. As measured through annual Residents' Survey of those provided with Council's kerbside recycling collection services. (Target: 90%.)	 <p>Residents' Survey results for 2018 show that 89% of customers are fairly satisfied or very satisfied with kerbside recycling. A total of 9% of people who have the service were not very satisfied.</p> <p>This compares with 92% of residents who receive the service satisfied or very satisfied in 2016/2017 and 7% who were not very satisfied.</p> <p>The results show a small reduction in satisfaction.</p>
	% customer satisfaction with kerbside bag collection services. As measured through annual Residents' Survey of those provided with Council's kerbside bag collection services. (Target: 70%.)	 <p>Residents' Survey results for 2018 show that 67% of residents provided with regular rubbish collection are fairly satisfied or very satisfied, and 8% are not very satisfied. In 2016/2017 73% of residents were satisfied or very satisfied and 6% were not satisfied.</p> <p>The results show a small reduction in satisfaction.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Our Resource Recovery Centres are easy to use and operated in a reliable manner</p>	<p>% customer satisfaction based on-site surveys – as measured by annual customer surveys at the Resource Recovery Centres. (Target: 95%.)</p>	<div data-bbox="991 309 1259 443" data-label="Figure"> </div> <p>Each year we survey customers at each of our Resource Recovery Centres in December and January and these are the basis of our performance measure. These surveys showed a very high level of satisfaction with the services that we provide.</p> <p>The following are the results achieved for customers who were “very satisfied” or “fairly satisfied” in 2017/18:</p> <ul style="list-style-type: none"> <li>Richmond: 98%</li> <li>Mariri: 99%</li> <li>Takaka: 100%</li> <li>Collingwood: 93%</li> <li>Murchison: 86%</li> <li>Overall: 97%</li> </ul> <p>This compares with 99% very satisfied or fairly satisfied in 2016/2017.</p>

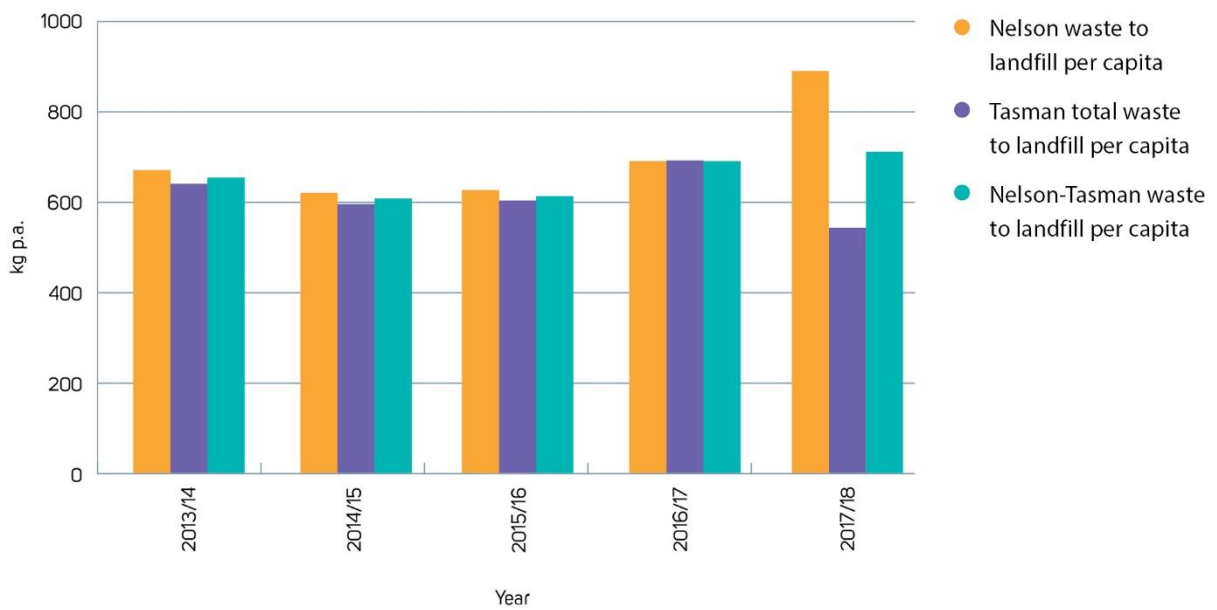
The Solid Waste Activity Group performance measures are very similar to those contained in the 2012-2022 LTP. Some of the targets were amended to reflect higher aspirations of Council. Performance against targets was marginally lower than in than in 2016/2017. The difference being the levels of customer satisfaction with kerbside bag collection and recycling services falling just below the target level this year. However the percentage of enquiries resolved within 24 hours was higher than in n 2016/2017 and fully achieved our target. Waste to landfill and diversion from landfill continue to be below performance targets and illustrate the challenge of reducing the waste being sent to landfill.



**Figure 33**  
Total Resources Diverted from Landfill per head (kg p.a.)

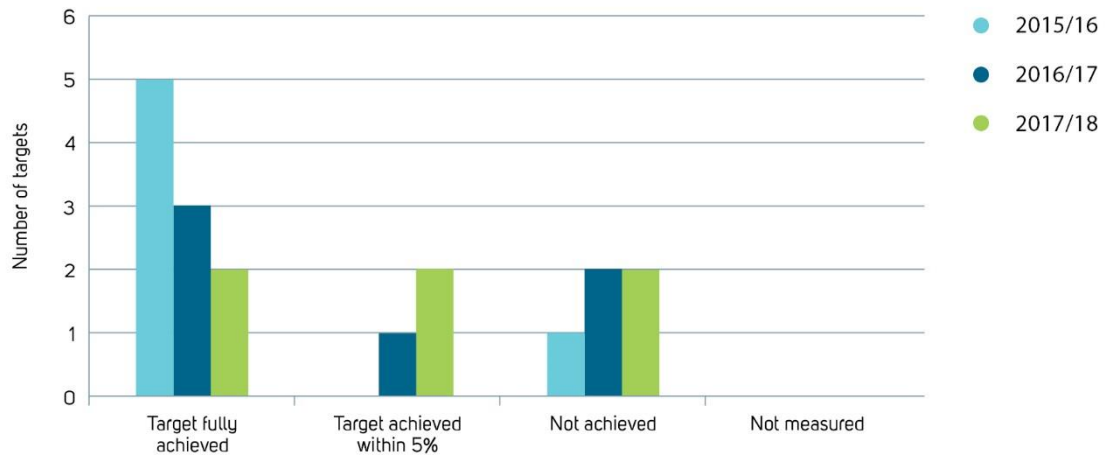


**Figure 34**  
Waste to Landfill per capita (kg p.a.)



**Figure 35****Solid Waste Performance Measures**

Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

The Solid Waste group of activities involves the ongoing management, maintenance and renewal of Council's solid waste assets including operation of five Resource Recovery Centres and management of closed landfills. The activity also includes waste management and minimisation services, including kerbside recycling and rubbish collection, greenwaste and recyclable processing and support of waste minimisation in the community.

Over the last 12 months there have been significant changes to waste management and minimisation in the region.

On 1 July 2017 the control of and responsibility for the Eves Valley landfill (in Tasman) and the York Valley landfill (in Nelson) transferred to the Nelson Tasman Regional Landfill Business Unit. From that date the Eves Valley landfill ceased receiving waste and the York Valley landfill now operates as a regional landfill for Nelson-Tasman.

Economic activity in the region has been strong and we have seen an increasing amount of waste disposed at landfill in the region. Over 50% of this waste is generated through business activity and construction and development.

We have also seen moderate increases in recycling volumes over this period, mainly driven by population growth and incremental addition of new properties to the kerbside collection service. This growth in recycling has not made a significant impact on waste growth.

In the latter half of the year revenue from recycling has fallen sharply, due largely to a change of government policy in China. Until recently China imported almost half of all worldwide recycling, but from 1 January 2018 the Chinese government placed import restrictions on a wide range of recyclable products. This has resulted in much lower prices for recycled product and our contractor was required to stockpile some mixed plastic recycling. This lower pricing has resulted in an unbudgeted payment to our contractor through a contracted cost-sharing arrangement, although this was offset by an unbudgeted share of other recycling income.

In late 2017 and early 2018 we reviewed the Nelson-Tasman Joint Waste Management and Mimimisation Plan. The review was conducted jointly with Nelson City Council. We are proposing to adopt an amended plan and will be consulting with our community on this proposal in August 2018.

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Eves Valley Landfill	\$157,474	\$107,159	<p>The scope of this project was to undertake landscape planting at the landfill. On 28 September 2017 Council approved \$27,831 to be carried forward from the 2016-17 to the 2017/2018 year.</p> <p>\$20,176 was spent in the 2017/2018 year on planting in land south of the Eves Valley landfill (that is still managed by Tasman District Council). Further planting is planned next year when details of the planting plan are agreed through resource consent processes for the landfill.</p>
Mariri Resource Recovery Centre	\$664,525	\$0	<p>The scope of this project is to install a new waste compactor, upgrade the waste disposal pit and improve traffic flow and layout. A total budget of \$1,210,400 was approved by Council on 11 August 2016. On 28 September 2017 \$781,410 of this budget was carried forward from the 2016/2017 year to the 2017/2018 year.</p> <p>\$745,349 was spent in the 2017/2018 year.</p> <p>Further work will be required in 2018/2019 to upgrade the septic disposal field.</p>
Closed landfills	\$262,895	\$259,575	<p>This budget was for improvement to closed landfill capping and rock protection.</p> <p>\$71,361 was spent in the 2017/2018 year.</p>

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
			<p>This year we commenced work improving cap on several closed landfills. We have also commenced work to protect a closed hazardous waste trench at the Marri Resource Recovery Centre. Some of this work was delayed by response to weather events in February and we will be planning to complete the work in the 2017/2018 year.</p>
Resource Recovery Centre Site Improvements	\$30,527	\$112,623	<p>\$28,774 was spent in the 2017/2018 year.</p> <p>This work included pavement widening and installation of stairs at the Mariri Resource Recovery Centre. Work scheduled for the Richmond Resource Recovery Centre was delayed by other works and we will be planning to complete the work in the new financial year.</p>

## FUNDING IMPACT STATEMENT - SOLID WASTE

LTP 2017 \$000	Actual 2017 \$000		Notes	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>							
2,199	333	General rates, uniform annual general charges, rates penalties		902	902	210	100%
2,301	2,284	Targeted rates		2,391	2,392	2,358	100%
0	0	Subsidies and grants for operating purposes		0	0	0	0%
3,723	4,629	Fees and charges		4,187	3,715	3,834	113%
0	0	Internal charges and overheads recovered		0	0	0	0%
440	560	Local authorities fuel tax, fines, infringement fees, and other receipts		4,319	4,186	2,486	103%
<b>8,663</b>	<b>7,806</b>	<b>Total operating funding</b>		<b>11,799</b>	<b>11,195</b>	<b>8,888</b>	<b>105%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>							
6,802	5,383	Payments to staff and suppliers		11,343	8,605	6,500	132%
388	457	Finance costs		467	389	483	120%
753	786	Internal charges and overheads applied		784	790	778	99%
0	0	Other operating funding applications		0	0	0	0%
<b>(7,943)</b>	<b>(6,626)</b>	<b>Total applications of operating funding</b>		<b>(12,594)</b>	<b>(9,784)</b>	<b>(7,761)</b>	<b>129%</b>
<b>720</b>	<b>1,180</b>	<b>Surplus/(deficit) of operating funding</b>		<b>(795)</b>	<b>1,411</b>	<b>1,127</b>	<b>-56%</b>
<b>SOURCES OF CAPITAL FUNDING</b>							
0	0	Subsidies and grants for capital expenditure		0	0	0	0%
0	0	Development and financial contributions		0	0	0	0%
(682)	271	Increase (decrease) in debt		3,757	3,349	3,543	112%
0	0	Gross proceeds from sale of assets		0	0	0	0%
0	0	Lump sum contributions		0	0	0	0%
0	0	Other dedicated capital funding		0	0	0	0%
<b>(682)</b>	<b>271</b>	<b>Total sources of capital funding</b>		<b>3,757</b>	<b>3,349</b>	<b>3,543</b>	<b>112%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>							
Capital expenditure							
0	0	- to meet additional demand		0	0	0	0%
0	0	- to improve the level of service		175	0	0	100%
37	1,012	- to replace existing assets		1,076	755	805	143%
1	439	Increase (decrease) in reserves		1,711	(231)	(197)	-741%
0	0	Increase (decrease) in investments		0	4,236	4,062	0%
<b>(38)</b>	<b>(1,451)</b>	<b>Total applications of capital funding</b>		<b>(2,962)</b>	<b>(4,760)</b>	<b>(4,670)</b>	<b>62%</b>
<b>(720)</b>	<b>(1,180)</b>	<b>Surplus/(deficit) of capital funding</b>		<b>795</b>	<b>(1,411)</b>	<b>(1,127)</b>	<b>-56%</b>

Debt -

## **FLOOD PROTECTION AND RIVER CONTROL WORKS**

### **WHAT WE DO**

Tasman District Council maintains 285 kilometres of the District's X and Y classified rivers in order to carry out its statutory roles to promote soil conservation and mitigate damage caused by floods and riverbank erosion.

These classified rivers are funded by a differential river rating system based on land value. The rivers works in the classified rivers, such as stopbanks and willows, are owned, maintained and improved by Council.

There are many more rivers, streams and creeks that are on private, Council and Crown (Department of Conservation, Land Information New Zealand) lands, which are not classified. These unclassified rivers have associated river protection works such as rock walls, groynes and river training works that form part of the river system. They are typically owned and maintained by private property owners and may be partly funded by Council.

The Rivers activity is managed holistically. This approach to rivers management places emphasis on channel management through gravel relocation/repositioning and vegetation and land buffers on the river's edge. The aim is to manage the river channel and catchment so that there is less need to use hard engineering methods to prevent erosion. This group of activities does not include stormwater or coastal structures, which are covered in other groups of activities.

### **WHY WE DO IT**

By implementing and maintaining quality river control and flood protection schemes, Council improves protection to neighbouring properties and mitigates the damage caused during the flood events. In 1992 river control functions under the Soil Conservation and Rivers Control Act 1941 for the Tasman District were transferred to Tasman District Council.



### **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 COUNCIL'S COMMUNITY OUTCOMES



COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOMES
Our unique natural environment is healthy and protected.	Our flood protection and 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 urban and rural environments are people-friendly, well planned and sustainably managed.	Our flood protection works and river control structures protect our most "at risk" communities and rural areas from flooding and are maintained in a safe and cost-effective manner.
Our infrastructure is efficient, cost effective and meets current and future needs.	Our flood protection and mitigation structures are maintained in an environmentally sustainable manner to a level supported by the community.

## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We maintain Council's stopbank assets in River X classified areas to deliver flood protection to the level that the stopbanks were originally constructed.</p>	<p>The major flood protection and control works that are maintained, repaired and renewed to the key standards defined below (Mandatory Performance Measure 1):</p> <p>Our stopbanks are maintained to their original constructed standard.</p> <p>(Riwaka River = 1 in 10 year flood return in 1950).  (Lower Motueka River = 1 in 50 year flood return in 1950).  (Waimea River = 1 in 50 year flood return in 1950).</p>	 <p>Scheme stopbanks were mowed twice during the period as planned and related flapgate inspections and repairs carried out.</p> <p>This target was fully achieved in 2016/2017.</p>
	<p>No failure of flood protection in the existing stopbank system maintained by Council below the specified design levels.</p> <p>(Target:  Riwaka River 88%  Motueka River 100%  Waimea River 100%.)</p>	 <p>A nearly 20 year return period flood was experienced on 21 February in the Riwaka Flood Protection scheme area due to the ex-cyclone Gita related extreme low that hit the South Island. Flow recorded at our site in the lower river was 177 m<sup>3</sup>/s (ten year flood 158 m<sup>3</sup>/s, twenty year flood 181 m<sup>3</sup>/s).</p> <p>While the stopbanks overtopped in a number of locations, the current level of flood protection for this scheme is a ten year flood.</p> <p>Our Waimea and Lower Motueka flood protection schemes have not received floods above a mean annual flood and consequently there were no breaches or overtopping of these stopbanks.</p> <p>This target was fully achieved in 2016/2017 with no floods affecting our protection scheme.</p>



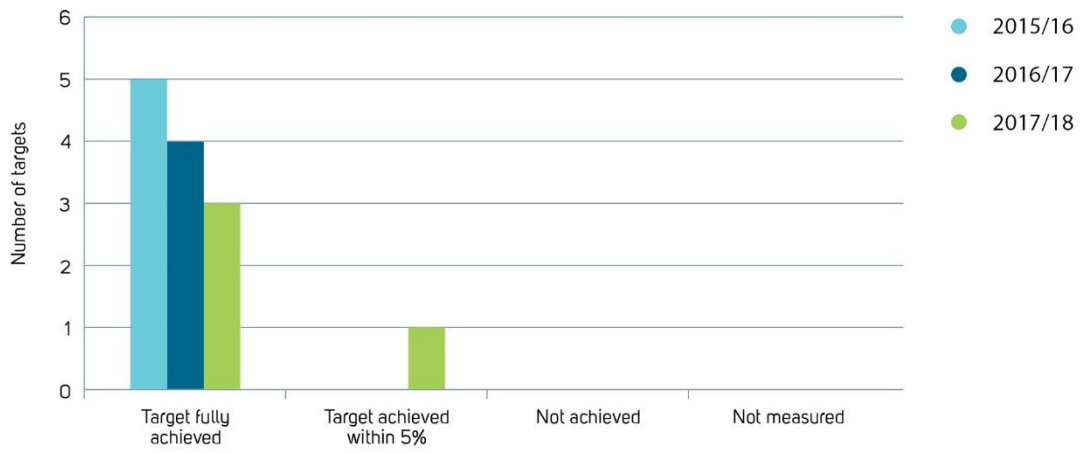
## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
River maintenance tasks are carried out in a safe, efficient and sustainable manner.	Council holds appropriate consents for the work it does. As measured by the number of notices issued to Council's flood protection and rivers control activity. (Target: no notices issued.)	 <p>No abatement or infringement notices have been issued in relation to our river control and flood protection activities.</p> <p>This compares with no notices issued in 2016/2017.</p>
We manage waste/ rubbish in the river system.	Complaints about illegal dumping in the X and Y classified rivers and on adjacent beaches on public land are actioned within five days. As measured through Customer Service Requests in Council's database. CSR's are responded to within five days. (Target: 100%.)	 <p>30 out of a total 31 (or 97%) of fly tipping removal jobs issued to the contractor that a) were not abandoned vehicles and b) had a completion date were completed within 5 days.</p> <p>There were 51 fly tipping jobs entered into Confirm for the year with 13 relating to abandoned vehicles and 6 with no completion date (jobs not issued or completion date not entered).</p> <p>Abandoned vehicles are the responsibility of a separate department and follow a different process to general fly tipping waste.</p> <p>This compares with 100% of complaints responded to within five days in 2016/2017.</p>

The Flood Protection and River Control group met three of its four performance targets. Almost (but not quite all) complaints about illegal dumping in X and Y classified rivers were responded to within five days.

**Figure 36****Flood Protection Performance Measures**

Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

This group of activities involves ongoing management, maintenance and renewal of Council's river control and flood protection structures.

The following table details the major capital and renewal work programmed for 2017/2018. A full list of projects and programmes for when the work is planned to be completed is included in Appendix F of the Rivers Activity Management Plans.

PROJECT NAME	LTP YEARS 1 - 3	2017/2018 BUDGET	ACTUAL 2017/2018
Waimea Asset Improvement Catchment Y	\$174,000	\$0	\$0 was spent in the 2017/2018 year.  The Rivers budgets have been consolidated since the 2015 LTP and now all reflected in two project lines. One for River X and one for River Y.
Waimea Asset Improvement Catchment X	\$296,000	\$0	\$0 was spent in the 2017/2018 year.  The Rivers budgets have been consolidated since the 2015 LTP and now all reflected in two project lines. One for River X and one for River Y.
Takaka Asset Improvement	\$614,000	\$0	\$0 was spent in the 2017/2018 year.  The Rivers budgets have been consolidated since the 2015 LTP and now all reflected in two project lines. One for River X and one for River Y.
Aorere Asset Improvement	\$346,000	\$0	\$0 was spent in the 2017/2018 year.  The Rivers budgets have been consolidated since the 2015 LTP and now all reflected in two project lines. One for River X and one for River Y.
Upper Motueka Asset Improvement	\$850,000	\$0	\$0 was spent in the 2017/2018 year.  The Rivers budgets have been consolidated since the 2015 LTP and now all reflected in two project lines. One for River X and one for River Y.
Class Y Capital Works	\$157,000	\$616,000	\$1,173,524 was spent in the 2017/2018 year.  Capital works have been higher than anticipated for the period following two flood events affected river rated Y areas. These were the Easter 2017 event and the ex-cyclone Gita event on 20 February 2018.
Class X Capital Works	\$740,000	\$304,000	\$108,939 was spent in the 2017/2018 year.  \$250,000 was added to the budget by way of Council resolution in 2017/2018 bringing the total to \$554,000.  The two flood events occurred in smaller rivers and small waterways outside our three flood protection schemes.  The \$250,000 added to the budget was for the anticipated stopbank upgrade to the Lower Motueka stopbank at Whakarewa Street. This has not been progressed due to having resources being diverted to repair the flood damage.

## FLOOD PROTECTION AND RIVER CONTROL – FUNDING IMPACT STATEMENT

LTP 2017 \$000	Actual 2017 \$000	Rivers & Flood Protection	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
34	33	General rates, uniform annual general charges, rates penalties	31	31	32	100%
2,759	2,723	Targeted rates	2,276	2,281	2,838	100%
0	0	Subsidies and grants for operating purposes	0	0	0	0%
35	227	Fees and charges	51	20	36	255%
0	85	Internal charges and overheads recovered	0	0	0	0%
303	379	Local authorities fuel tax, fines, infringement fees, and other receipts	514	415	308	124%
<b>3,131</b>	<b>3,447</b>	<b>Total operating funding</b>	<b>2,872</b>	<b>2,747</b>	<b>3,214</b>	<b>105%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
1,562	2,058	Payments to staff and suppliers	1,934	1,331	1,604	145%
32	18	Finance costs	11	11	26	100%
344	436	Internal charges and overheads applied	414	368	362	113%
0	0	Other operating funding applications	0	0	0	0%
<b>(1,938)</b>	<b>(2,512)</b>	<b>Total applications of operating funding</b>	<b>(2,359)</b>	<b>(1,710)</b>	<b>(1,992)</b>	<b>138%</b>
<b>1,193</b>	<b>935</b>	<b>Surplus/(deficit) of operating funding</b>	<b>513</b>	<b>1,037</b>	<b>1,222</b>	<b>49%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
0	0	Development and financial contributions	0	0	0	0%
(105)	(93)	Increase (decrease) in debt	(93)	(93)	(105)	100%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>(105)</b>	<b>(93)</b>	<b>Total sources of capital funding</b>	<b>(93)</b>	<b>(93)</b>	<b>(105)</b>	<b>100%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
Capital expenditure						
0	0	- to meet additional demand	0	0	0	0%
299	252	- to improve the level of service	1,282	257	307	499%
760	640	- to replace existing assets	83	663	780	13%
29	(50)	Increase (decrease) in reserves	(945)	24	30	-3938%
0	0	Increase (decrease) in investments	0	0	0	0%
<b>(1,088)</b>	<b>(842)</b>	<b>Total applications of capital funding</b>	<b>(420)</b>	<b>(944)</b>	<b>(1,117)</b>	<b>44%</b>
<b>(1,193)</b>	<b>(935)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(513)</b>	<b>(1,037)</b>	<b>(1,222)</b>	<b>49%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

# COMMUNITY DEVELOPMENT

## POLICY AND OBJECTIVE

The objective of Community Development activities is to provide services and assets that support aspects of the community's social, cultural and recreational needs, while also enhancing environmental values in the District. The services also provide a place where connections are made between the Council and the community.

## NATURE AND SCOPE

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

- Community Facilities and Parks (including Libraries and Aquatic Centre)
- Community Relations

## COMMUNITY FACILITIES AND PARKS

### WHAT WE DO

This group of activities includes the wide range of community facilities and amenities provided throughout the District for the public including:

- 804 hectares of parks and reserves (including 239 hectares at Moturoa/Rabbit Island, 13 formal gardens, 14 special interest sites, 20 sports grounds, 98 urban open space/amenity reserves, 41 walkways, 214 rural recreation and esplanade reserves, various sports facilities and three remote camping grounds);
- 108 hectares of land vested as esplanade strip;
- 12 operating and two closed cemeteries;
- 52 playgrounds;
- four public libraries;
- funding for District and Shared Facilities such as the Saxton Field complex;
- 18 community halls;
- five multi-use community recreation centres;
- two community centres;
- three museums;
- 14 miscellaneous community buildings (e.g. Plunket rooms, former church);
- 98 public toilets;
- eight community housing complexes (101 separate units in total);
- the Aquatic Centre and three outdoor community swimming pools;
- four customer service offices; and
- One customer service call centre.

### WHY WE DO IT

Council provides community and recreational facilities to promote community wellbeing and to meet community expectations. The provision of open spaces and recreational facilities contributes to the development of healthy, active, functioning communities. Council recognises that it plays a key role in creating the environment in which communities can prosper and enjoy improved health and wellbeing. Council therefore aims to ensure that adequate parks and reserves are provided for the community and that these are managed and maintained in a way that meets community expectations and encourages community involvement.

Council provides cemeteries that create an attractive, peaceful and respectful environment for the memorial and remembrance of the deceased. Cemeteries are provided for public health purposes and to comply with the requirements of the Burial and Cremation Act 1964.

Libraries develop an informed community whose members are literate and inspired. The Tasman District Council's public library services and facilities provide a collective resource that is greater than local families or individuals can afford.

Community facilities are meeting points, providing indoor space for community gatherings, events, recreational, educational and social activities. They enable community-led development, with local people working together and bringing about changes in their environment. They help build neighbourhoods and settlements with strong identities. Our facilities offer Tasman residents the opportunity to engage socially in the places they live and work.

Council provides public toilets throughout the District to meet community, traveller and tourist needs. The toilets deliver a range of public good benefits including health and sanitation benefits.

Council provides pensioner cottages to meet a specific need for low-cost, community-based housing for people on low incomes.

Council provides the Aquatic Centre and swimming pools to enable people to learn to swim, for physical recreation and leisure to promote community health and wellbeing.

#### **OUR GOALS**

##### **Parks and reserves**

We aim to provide parks, reserves and recreational facilities that promote the physical, psychological, environmental and social wellbeing of communities in Tasman District and to also provide amenities that meet the needs of residents and visitors.

##### **Cemeteries**

We aim to provide an attractive and peaceful environment for the burial, memorial and remembrance of the deceased.

##### **Public toilets**

We aim to provide clean public toilet facilities to meet community and visitor needs, in appropriate locations.

##### **Community buildings**

We aim to provide community facilities that assist in meeting the community demand for indoor activities and recreation spaces.

##### **Community housing**

We aim to provide community housing for people on low incomes that is affordable, accessible and fit for purpose.

##### **Libraries**

We aim to provide quality services which enrich the life of the community by promoting lifelong learning and the creative use of leisure.

##### **Swimming pools**

We aim to provide an Aquatic Centre facility and outdoor swimming pools that assist in meeting the community demand for aquatic activities and provide the level of service that the customers want and are prepared to pay for.

## HOW THIS ACTIVITY CONTRIBUTES TO COUNCIL'S COMMUNITY OUTCOMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our unique natural environment is healthy and protected.	<p>Protection of the natural environment and ecologically significant areas. Provision and enhancement of open space.</p> <p>Vegetation enhancement and awareness.</p> <p>Enhanced community involvement in conservation and restoration work. Protection and enhancement of coastal and riparian areas.</p>
Our urban and rural environments are people-friendly, well-planned and sustainably managed.	<p>Provision and enhancement of open space and an interconnected open space network. Provision of neighbourhood and community parks within walking distance of homes.</p>
Our communities are healthy, safe, inclusive and resilient.	<p>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.</p> <p>Parks and facilities are designed and managed to ensure users safety and to cater for the needs of the whole community.</p> <p>Community facilities are provided that support specific social needs.</p> <p>Community housing provides good quality affordable housing for the elderly and others who meet the criteria of Council's Policy on Pensioner Housing.</p> <p>Libraries provide safe spaces for our community to socialise and interact. Libraries provide equitable access to information for all in the community; as such libraries are an integral part of a strong democracy at local and national levels.</p> <p>The Aquatic Centre supports specific social needs and is designed and managed to ensure users safety and to cater for the needs of the whole community.</p>
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	<p>We provide recreation facilities that cater for and promote healthy communities and active lifestyles through social and recreation activity.</p> <p>Libraries contribute to the enhancement of community identity through the collection and preservation of local heritage materials. Libraries are involved in regional history/heritage projects which increase access to local historical/cultural information and materials. Library resources and facilities encourage creative, cultural and recreational activities.</p> <p>Provision of an Aquatic Centre facility that caters for and promotes healthy communities and active lifestyles through social and recreation activity.</p> <p>Cemeteries provide a location for interments and remembrance.</p>
Our communities have access to a range of social, educational and recreational facilities and activities.	<p>Provision of high quality open space, community, recreation and cultural facilities that provide a range of leisure and cultural opportunities.</p> <p>Provision of attractive well maintained and functional toilet facilities.</p> <p>We provide high quality community, recreation and cultural facilities providing a range of leisure and cultural opportunities and targeted social support.</p> <p>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 provide a range of resources which enrich quality of life for all.</p>
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	<p>Through the provision of freely accessible community spaces, libraries encourage social interaction and community engagement.</p>

## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>An interconnected open space network and recreation facilities that provide a range of leisure opportunities and meet the needs of users and the community</p>	<p>The total area of park land* provided by Council exceeds the industry average, as measured by Yardstick Parkcheck. (Target: 16.8 ha per 1000 residents.)</p> <p>Includes all park and reserve land provided by Tasman District Council, but excludes esplanade strips.</p>	 <p>The area of park land per 1000 residents is 15.8ha.</p> <p>This compares with 16.8 ha in 2016/2017 and is below the industry average measured by Yardstick Parkcheck of 18.8ha per 1000 residents.</p> <p>Council's additional reserve purchases have not kept pace with the large population increase over the past 3 years. Council would need to have acquired an additional 53ha of reserve land to achieve the target of 16.8ha per 1000 residents.</p>
	<p>Overall customer satisfaction with the facilities in parks and reserves exceeds 85%, as measured by the triennial Yardstick ParkCheck Visitor Measures Survey.</p>	 <p>The Yardstick ParkCheck 2017 Visitor Measures Survey shows an overall satisfaction level of 94%, compared with 93% in 2014. The average satisfaction level for the 4 councils participating in this survey was 93.1%.</p>
	<p>At least 85% of respondents rate their satisfaction with recreational facilities (which include playing fields and neighbourhood reserves) as "fairly satisfied" or better in the annual residents' surveys.</p>	 <p>In 2018, 84% of residents and 89% of users were satisfied with our recreational facilities. 9% of residents and 5% of users were not very satisfied.</p> <p>These results compare with 87% of residents and 89% of users who were satisfied or very satisfied with our recreational facilities in 2017. Seven percent of residents and 7% of users were not very satisfied.</p> <p><b>See Figure 37 Satisfaction with Recreation Facilities on page 156.</b></p>



LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
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Public toilets at appropriate locations that meet the needs of users and are pleasant to use and maintained to a high standard of cleanliness.

At least 70% of respondents rate their satisfaction with public toilets as “fairly satisfied” or better in the annual residents’ surveys.



Council’s annual Residents’ Survey results for 2018 show 58% of residents are satisfied or very satisfied with public toilets and 69% of users are satisfied or very satisfied with public toilets.

These results compare with 63% of residents and 76% of users who were satisfied or very satisfied with our public toilets in 2017.

The main reasons for not being satisfied were not enough toilets and issues with cleaning or smell.

Council is planning to install additional toilets to address issues with provision and we will be reviewing levels of service related to cleaning.

**See Figure 38 Satisfaction with Public Toilets on page 156.**

A network of public halls and community buildings (including multi-purpose community and recreation facilities in major centres and local halls) that provide reasonable access to indoor activities, and recreation space.

A community building\* is available within a 15-minute drive for 95% of the population (i.e. 20km radius catchment).

\*A community building is a recreation centre, public hall or community house.



In 2017/2018, a community building was available within a 15 minute drive for 99% of our District’s population, the same result as in 2016/2017.

Accessible and affordable housing to eligible people within the community.




80% of tenants are satisfied with community housing.



In a survey of community housing tenants undertaken in November 2017, 85% of tenants were satisfied with our community housing. Satisfaction rates reflected their tenancy management, the condition of cottages and grounds, and how Council deals with their enquiries.

Council last measured community housing tenants’ satisfaction in November 2015 when there was a 92% satisfaction rate with our community housing.

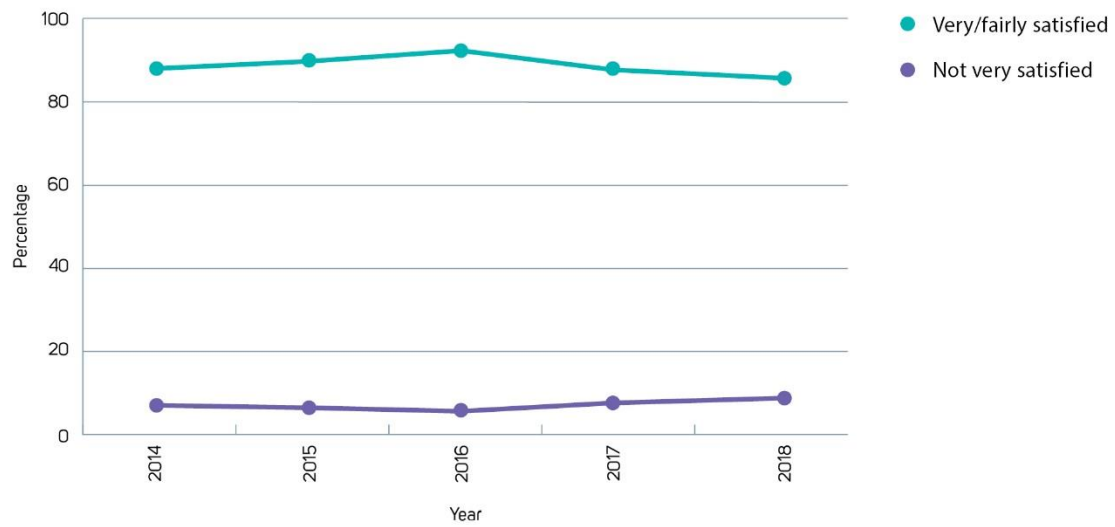
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Swimming pools that meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programmes.</p>	<p>Admissions to the Richmond Aquatic Centre per m2 of swimming pool per annum is not lower than 10% below the peer group average, as measured by Yardstick (once every three years).</p> <p>(Target: 205 swims/m<sup>2</sup>)</p>	 <p>Admissions to the Richmond Aquatic Centre per m2 was 222 users per m2. This compares with 214 swims per m2 of swimming pool in 2016/2017.</p> <ul style="list-style-type: none"> <li>• 311,524 paying visits</li> <li>• 222 users per m2 (last year's 214)</li> </ul>
	<p>At least 85% of respondents rate their satisfaction with Aquatic Centre facilities as fairly satisfied or better, in annual surveys of customers.</p>	 <p>Customer surveys have been undertaken throughout the year. The following percentages are averages across all surveys.</p> <ul style="list-style-type: none"> <li>• Customer Service 92%</li> <li>• Wet and Dry Class Timetable Satisfaction 90%</li> <li>• Overall Cleaning Satisfaction – good to high 88%</li> <li>• Services and programmes provided meet needs – 98%</li> </ul> <p>This compares with 78% of users who were satisfied or very satisfied in 2016/2017.</p>
<p>The provision of access to a wide range of information relevant to the community's recreation and learning needs.</p>	<p>The number of lending/reference items available at Tasman libraries is 3.0 items per resident. Stock numbers will be measured quarterly using information available from the Library Management System software.</p>	 <p>Items available at 30 June 2018 totalled 155,313, comprising 144,262 physical items and 11,051 electronic items; this equates to 3.1 items per resident. This compares with 3.1 items per resident in 2016/2017.</p> <p>The number of electronic items includes items available through e-book consortia shared purchasing arrangements.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>The provision of access to a wide range of information relevant to the community's recreation and learning needs (cont.).</p>	<p>At least 83% of residents are fairly or very satisfied with the public libraries, as measured through the annual residents' survey.</p>	 <p>In May 2018, 76% of residents and 88% of users were fairly or very satisfied with the public libraries. 6% of residents and 7% of users were not very satisfied.</p> <p>These results compare with 78% of residents and 88% of users who were satisfied or very satisfied with our public libraries in 2017.</p> <p>The percentage not very satisfied is on par with the peer group and national averages and is similar to the 2017 result.</p> <p>The main dissatisfaction was in the Motueka Ward where users thought the library was too small and in need of upgrading or replacement.</p> <p><b>See Figure 39 Satisfaction with Public Libraries on page 157.</b></p>
<p>The provision of safe, welcoming, attractive and accessible library facilities for customers to access library services.</p>	<p>Tasman District Council library buildings provide adequate spaces to enable the delivery of quality library services as measured against the Library and Information Association of New Zealand Aotearoa (LIANZA) standard.</p> <p>(Target 1: The Richmond, Takaka and Murchison libraries floor areas are maintained at the current size.</p> <p>Target 2: Motueka Library floor area does not meet the LIANZA standard)</p>	<p><b>Target 1</b></p>  <p>Council has maintained the Richmond, Takaka and Murchison Library floor areas at their current size.</p> <p><b>Target 2</b></p>  <p>As reflected in the Residents' Survey, space issues at our Motueka Library are continuing to cause difficulties with service delivery. Council undertook a feasibility study in 2017/2018 to investigate redevelopment and expansion options. Council has included funding for redevelopment of the library in the Long Term Plan 2018-2028.</p>

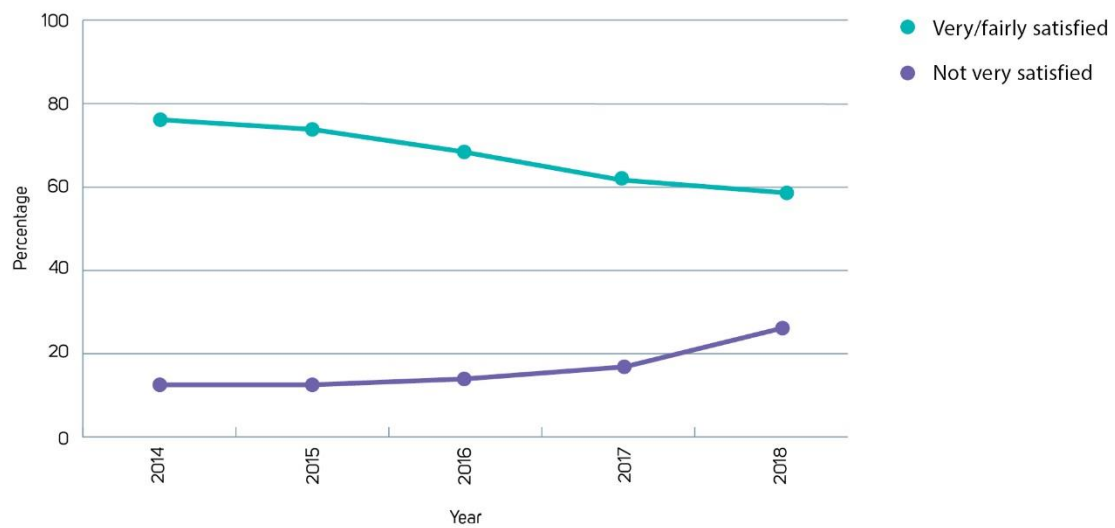
Of the 12 performance targets for Community Facilities and Parks, seven have been achieved and two were achieved within 5%. The three measures which were not achieved were satisfaction with public toilets, satisfaction with public libraries, and the area of park land relative to the population.

**Figure 37**

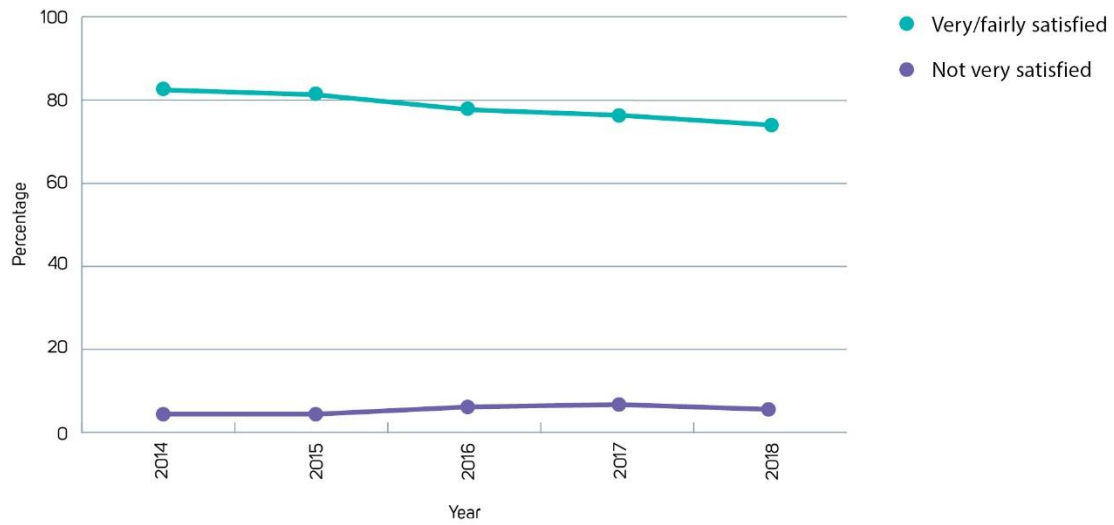
## Satisfaction with Recreational Facilities

**Figure 38**

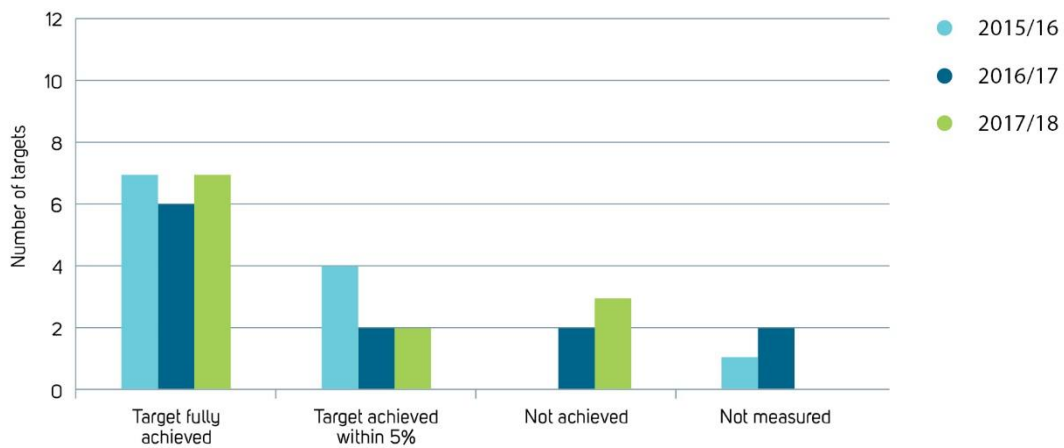
## Satisfaction with Public Toilets



**Figure 39**  
Satisfaction with Public Libraries



**Figure 40**  
Community Facilities and Parks Performance Measures  
Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

Ongoing management, maintenance and renewal of Council's parks and reserves, cemeteries, playgrounds, libraries, district and shared facilities, public toilets, Council cottages, and swimming pools. Specifically, in 2017/2018 major activities included:

PROJECT NAME	LTP YEARS 1-3	2017-2018 BUDGET	ACTUAL 2017/2018
Golden Bay Recreation Reserve	\$1,943,700	\$0	<p>Council largely completed construction of the Golden Bay indoor community recreation facility and associated works in 2016/2017. We carried forward \$253,000 from 2016/2017 to this year. We spent \$19,478 in the current financial year.</p> <p>A dispute of the removal of the old grandstand which was to have been removed to provide the required on site car parking has not yet been resolved.</p> <p>We anticipate Council will carry forward unspent funds to 2018/2019 for car parking, sports field lighting and other works related to the project.</p>
District-wide	\$1,578,836	\$265,821	<p>Purchase of new reserves throughout the District (usually as a result of subdivision). Council spent \$251,193 in the 2017/2018 year. We anticipate Council will carry forward unspent funds to 2018/2019.</p> <p>New reserves acquired in 2017/2018 were Berryfield Oak Reserve and Sabine Drive Reserve in Richmond, Stringer Reserve in Moutere/Waimea, Little Kaiteriteri Reserve in Motueka and Bydder Reserve extension in Golden Bay (funded by Reserve Financial Contributions).</p>
Ben Cooper Park	\$227,986	\$0	<p>Construction of new public toilet facilities. Council carried forward \$227,000 from 2016/2017 to this year. Council spent \$9,314 in the current financial year on the investigation of options, one involving addition of toilets to a club facility and the other a stand-alone facility. Council obtained a structural assessment on the club facility and we are currently seeking quotes for this option.</p> <p>We anticipate Council will carry forward unspent funds into 2018/2019.</p>
Richmond Cemetery	\$53,844	\$53,164	<p>Road extension and purchase of new land. We did not spend any funds in the 2017/2018 year. We anticipate unspent funds will be carried over to 2018/2019</p> <p>We undertook Investigation into drainage prior to commencing design work for a road extension.</p>
Saxton Field Actual spent – \$303,294	\$465,543	\$311,734	<p>Champion Road access: \$27,000 was spent on design and documentation for the construction of the road and footpath linking the velodrome to Champion Road entrance.</p> <p>We anticipate Council will carry forward unspent funds into 2018/2019.</p>

PROJECT NAME	LTP YEARS 1-3	2017-2018 BUDGET	ACTUAL 2017/2018
	\$76,725	\$0	<p>Wetland Planting: Council carried forward \$75,000 from 2016/2017. We spent \$104,000 on wetland planting in the current year.</p> <p>Nelson City Council completed the wetland planting and pond upgrade at Saxton Field and our Council utilised these funds for our share of the work.</p>
	\$100,377	\$0	<p>Walkway links: Council carried forward \$26,600 from 2016/2017 for walkways. We spent \$144,800 in the 2017/2018 year to provide additional paths. More footpath work than planned was undertaken to take advantage of a larger scale of works and complete additional linkages.</p>
	\$25,575	\$0	<p>Velodrome lights: Council carried forward \$25,000 from 2016/2017 for this project. We did not spend any funds on this project in the current year. We anticipate Council will carry forward any unspent funds into 2017/2018.</p> <p>We have reprogrammed work on this project to 2022/2023 through the Long Term Plan 2018-2028.</p>
	\$268,977	\$0	<p>Renewing a hockey turf: Council spent \$2,500 in the 2017/2018 year to investigate resurfacing options. We anticipate Council will carry forward unspent funds into 2018/2019.</p>
	\$73,463	\$0	<p>General: Council spent \$25,000 on adult fitness equipment, velodrome power and signs in 2017/2018. We anticipate Council will carry forward unspent funds into 2017/2018.</p>

PROJECT NAME	LTP YEARS 1-3	2017-2018 BUDGET	ACTUAL 2017/2018
Council Libraries	\$358,060	\$0	The conversion to RFID technology project. Council completed the project in October 2016, so we did not spend any funds in the 2017/2018 year.
	\$895,466	\$297,535	Ongoing purchasing of new reference/lending items in order to maintain the library collections at three items per resident. Council spent \$292,568 in the 2017/2018 year. We purchased 17,706 new items for our lending/reference collections in the 2017/2018 year. The number of items in these collections now totals 144,262.
	\$174,732	\$64,420	Growth of digital collections (including digital newspapers and electronic databases). We spent \$63,434 in the 2017/2018 year. We purchased 1,313 new electronic items for our digital collections in the 2017/2018 year. The number of lending items in our digital collections now totals 11,051.
Aquatic Centre, Richmond	\$424,364	\$311,734	<p>Council spent \$20,770 in the 2017/2018 year. This included \$13,760 on the Upper plant room – heating pump, and \$7,010 to replace pool tiles and floor coverings.</p> <p>\$0 was spent in 2017/2018 on the following projects:</p> <ul style="list-style-type: none"> <li>• Installation of the new Wapotec water treatment system on the Leisure and Wave pools to reduce chloramines (installed in 2016/2017)</li> <li>• Lighting</li> <li>• Controllers and switchboards</li> <li>• Other electrical – PA system, heating, auto door, driers.</li> </ul> <p>Council agreed on 5 April 2018 to allocate the Aquatic Centre capital budget to the Retiling project, and we are planning to carry forward these funds in 2018/2019.</p>

(Note: the amounts in the table above are the Tasman District Council's contribution. Some projects may include contributions from users of the facilities and/or Nelson City Council).



## 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 community services. Reserve Financial Contributions are based on 5.62% of the value of all new allotments (the valuation is based on the area of the allotment or a notional building site on an allotment of 2500 m<sup>2</sup>, whichever is the lesser), less the value of any land vested or easements created for reserves or walkways. Credits are also given in some cases for additional work that is carried out by the developer over and above what is required by the Engineering Standards. Examples of such credits would be the formation of paths and amenity plantings.

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 accounted for. We keep Reserve Financial Contributions in four separate accounts as follows:

- Golden Bay Ward
- Motueka Ward
- Moutere/Waimea and Lakes/Murchison Wards
- Richmond Ward.

Revenue 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 mainly restricted to:

- Land purchase for reserves
- Capital improvements to reserves
- Other capital works for community services.

### ALLOCATION OF FUNDS

Each year as part of our LTP review or Annual Plan process, a list of works in each of the four Reserve Financial Contributions accounts is produced.

These requests are considered by the Community Boards and Councillors in Golden Bay and Motueka, and the Ward Councillors for each of the remaining two ward groupings listed above. Recommendations are then forwarded to our Community Development Committee or Full Council for approval before being included in the LTP or Annual Plan.

Note: Some of the following Reserve Financial Contribution accounts have large surpluses. The majority of these funds are already committed, or have been allocated to projects which have not yet commenced.

District Wide Reserve Financial Contributions 2017/2018	2017/2018 Actual (\$)	2017/2018 Budget (\$)
<b>PROJECTS 2017/2018</b>		
Valuation costs	14,287	11,558
Management Plans		
Consultant Fees	7,008	22,860
Library Books	10,643	10,660
<b>TOTAL EXPENDITURE</b>	<b>31,938</b>	<b>45,078</b>
Opening Balance	9,626	28,202
General Rate Allocation		
Internal Interest Received	186	656
Transfer from Ward Accounts	45,078	45,078
	54,889	73,936
Expenditure	31,938	45,078
<b>CLOSING BALANCE</b>	<b>22,951</b>	<b>28,858</b>

Note: The above reflects the budget as per the adopted Annual Plan. Carry overs were subsequently adopted by Council and increased the above budgets further.

Richmond Ward Reserve Financial Contributions 2017/2018	2017/2018 Actual (\$)	2017/2018 Budget (\$)
<b>PROJECTS</b>		
<b>Walkways/Cycleways</b>		
General	1,128	74,222
<b>Sportsfields</b>		
General	-	85,063
<b>Picnic Areas</b>		
General	26,707	9,874
<b>Playgrounds</b>		
General		
Saxton Velodrome	92,619	-
<b>Toilets</b>		
General	9,314	-
<b>Cemeteries</b>		
General	-	53,164
<b>Miscellaneous</b>		
Consultants		
Community Contribution	-	51,050
Community Projects		
Valuation Expenses/Future Planning	14,990	10,660
New Reserves	-	265,821
Transfer to District Wide Contributions	13,523	13,523
<b>TOTAL EXPENDITURE</b>	<b>158,281</b>	<b>563,377</b>
Opening Balance	2,020,819	1,807,371
Income	812,638	899,214
Internal Interest Received	38,951	40,491
	2,872,408	2,747,077
Expenditure	158,281	563,377
<b>CLOSING BALANCE</b>	<b>2,714,127</b>	<b>2,183,699</b>

Note: The above reflects the budget as per the adopted Annual Plan. Carry overs were subsequently adopted by Council and increased the above budgets further.

Waimea/Moutere & Lakes Ward Reserve Financial Contributions 2017/2018	2017/2018 Actual (\$)	2017/2018 Budget (\$)
<b>PROJECTS</b>		
<b>Walkways/Cycleways</b>		
General	81,334	21,266
<b>Sportsfields/Tennis Courts</b>		
General	37,037	90,379
<b>Gardens</b>		
General	360	-
<b>Picnic Areas</b>		
General	6,552	10,445
<b>Playgrounds</b>		
General	38,475	69,114
<b>Toilets</b>		
General	-	26,582
<b>Cemeteries</b>		
General	5,294	-
<b>Coastcare</b>	5,644	26,634
<b>Miscellaneous</b>		
Community Contribution	-	51,000
Consultants		
Valuation Fees	18,260	10,135
Land Purchases	251,193	265,821
Hall trusts		
Transfer to District Wide Contributions	13,523	13,523
Loan Principal	228,440	228,440
Loan Interest	30,633	30,194
<b>TOTAL EXPENDITURE</b>	<b>716,746</b>	<b>843,535</b>
Opening Balance	1,806,518	1,303,123
Income	986,814	512,949
Internal Interest Received	34,821	59,735
	2,828,152	1,875,807
Expenditure	716,746	843,535
<b>CLOSING BALANCE</b>	<b>2,111,406</b>	<b>1,032,272</b>

Note: The above reflects the budget as per the adopted Annual Plan. Carry overs were subsequently adopted by Council and increased the above budgets further.

Motueka Ward Reserve Financial Contributions 2017/2018	2017/2018 Actual (\$)	2017/2018 Budget (\$)
<b>PROJECTS</b>		
<b>Walkways/Cycleways</b>		
General	25,689	10,633
<b>Sportsfields</b>		
General	-	26,582
<b>Picnic Areas/Gardens</b>		
General	15,757	10,632
<b>Playgrounds</b>		
General	-	42,531
<b>Coastcare</b>		
General	24,449	18,111
<b>Miscellaneous</b>		
Community Projects	23,977	77,632
Land Purchase	8,729	159,493
Valuation Fees/Future Planning	2,370	6,396
Keep Motueka Beautiful	3,619	10,650
Motueka Clock Tower Trust	7,000	7,147
Transfer to District Wide Contributions	13,523	13,523
<b>TOTAL EXPENDITURE</b>	<b>125,113</b>	<b>383,331</b>
Opening Balance	1,349,652	777,627
Income	409,060	273,914
Internal Interest Received	26,015	30,093
	1,784,726	1,081,633
Expenditure	125,113	383,331
<b>CLOSING BALANCE</b>	<b>1,659,613</b>	<b>698,303</b>

Note: The above reflects the budget as per the adopted Annual Plan. Carry overs were subsequently adopted by Council and increased the above budgets further.

Golden Bay Ward Reserve Financial Contributions 2017/2018	2017/2018 Actual (\$)	2017/2018 Budget (\$)
<b>PROJECTS</b>		
<b>Walkways/Cycleways</b>		
General	-	31,961
<b>Sportsfields</b>		
General	17,593	15,950
<b>Picnic Areas</b>		
General	-	4,262
<b>Gardens</b>		
General	-	4,262
<b>Playgrounds</b>		
General - new reserves etc.	127,938	-
<b>Cemeteries</b>		
General	-	10,633
<b>Coastcare</b>		
General	-	42,618
<b>Miscellaneous</b>		
Land Purchases	13,339	-
Valuation Fees	1,800	-
Transfer to District Wide Contributions	4,508	4,508
<b>TOTAL EXPENDITURE</b>	<b>165,178</b>	<b>114,192</b>
Opening Balance	540,958	-
Income	43,812	91,918
Internal Interest Received	10,427	17,937
	595,198	109,855
Expenditure	165,178	114,192
<b>CLOSING BALANCE</b>	<b>430,020</b>	<b>- 4,337</b>

Note: The above reflects the budget as per the adopted Annual Plan. Carry overs were subsequently adopted by Council and increased the above budgets further.

## FUNDING IMPACT STATEMENT - COMMUNITY FACILITIES AND PARKS

LTP 2017 \$000	Actual 2017 \$000		Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
8,755	8,720	General rates, uniform annual general charges, rates penalties	8,974	8,976	8,905	100%
3,498	3,338	Targeted rates	3,248	3,257	3,521	100%
0	116	Subsidies and grants for operating purposes	0	0	0	0%
547	2,093	Fees and charges	601	580	562	104%
596	700	Internal charges and overheads recovered	618	618	622	100%
1,245	499	Local authorities fuel tax, fines, infringement fees, and other receipts	1,745	1,323	1,300	132%
<b>14,641</b>	<b>15,466</b>	<b>Total operating funding</b>	<b>15,186</b>	<b>14,754</b>	<b>14,910</b>	<b>103%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
8,271	7,825	Payments to staff and suppliers	8,788	9,117	8,736	96%
1,632	1,419	Finance costs	1,159	1,206	1,569	96%
3,140	3,048	Internal charges and overheads applied	3,225	3,289	3,242	98%
0	0	Other operating funding applications	0	0	0	0%
<b>(13,043)</b>	<b>(12,292)</b>	<b>Total applications of operating funding</b>	<b>(13,172)</b>	<b>(13,612)</b>	<b>(13,547)</b>	<b>97%</b>
<b>1,598</b>	<b>3,174</b>	<b>Surplus/(deficit) of operating funding</b>	<b>2,014</b>	<b>1,142</b>	<b>1,363</b>	<b>176%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	357	Subsidies and grants for capital expenditure	175	0	0	100%
1,936	1,611	Development and financial contributions	2,252	1,778	1,811	127%
(1,051)	1,879	Increase (decrease) in debt	(1,403)	(1,022)	(1,045)	137%
0	7	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>885</b>	<b>3,854</b>	<b>Total sources of capital funding</b>	<b>1,024</b>	<b>756</b>	<b>766</b>	<b>135%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
Capital expenditure						
0	0	- to meet additional demand	0	0	0	0%
589	546	- to improve the level of service	273	342	292	80%
1,378	5,036	- to replace existing assets	1,664	1,773	1,547	94%
516	1,446	Increase (decrease) in reserves	1,101	(217)	290	-507%
0	0	Increase (decrease) in investments	0	0	0	0%
<b>(2,483)</b>	<b>(7,028)</b>	<b>Total applications of capital funding</b>	<b>(3,038)</b>	<b>(1,898)</b>	<b>(2,129)</b>	<b>160%</b>
<b>(1,598)</b>	<b>(3,174)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(2,014)</b>	<b>(1,142)</b>	<b>(1,363)</b>	<b>176%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

## COMMUNITY RELATIONS

### WHAT WE DO

The Community Relations activity delivers Council's communications and community relations responsibilities in order to build a sense of community and pride of place in Tasman and to build capacity within the Tasman community. We achieve this through engaging with community groups, providing community recreation opportunities, providing grant funding, and educating and facilitating partnerships between Council and its communities.

Our activities include:

- the provision of funding and advice for community initiatives and community organisations to enable them to achieve their objectives. Grants are predominately for 'not for profit' community and voluntary groups working for the benefit of Tasman District communities;
- community engagement – where we provide information to our community and seek their views on and input into Council's proposals;
- the promotion and celebration of our history and diverse cultures through the support of organisations that preserve and display our region's heritage;
- delivery of community and recreation activities will be delivered and funded either through rates or external sources, to promote a pride of place and community wellbeing;
- providing an awareness of environmental and sustainability issues through environmental education programmes, to influence community behaviours and to meet the Council's Resource Management Act (RMA) obligations in this field.

### WHY WE DO IT

This activity is charged with delivering Council's communications and community relations activities in order to build a sense of community and pride and place in Tasman. It will do this by building capacity within the community through engaging with and empowering community groups, providing community recreation opportunities and education and facilitating partnerships.

The Community Relations activity helps promote the well-being of our community so that our communities:

- are informed about Council's activities and have the opportunity to express their views on Council's proposals. The decisions local authorities make affect their communities on a daily basis.
- effective community engagement builds trust and understanding in Council's decision making, while also increasing Council's awareness of issues in the community;
- are aware of what actions they can undertake to reduce their impact on the environment and to live in a more sustainable manner;
- are fit and healthy through the provision of recreation activities and programmes;
- have access to and support the protection of the District's culture and heritage values and artefacts for the education and enjoyment of current and future generations;
- receive funding and advice to assist and support the development of communities and the work voluntary organisations undertake within our communities.

### OUR GOAL

To lead, manage and facilitate the effective management, planning and delivery of Council's community engagement, communications, recreation, events, community grants and environmental education responsibilities to build a sense of place and community wellbeing in support of the community outcomes and enhancement of Council's reputation and role within the community it serves.





## HOW THIS ACTIVITY CONTRIBUTES TO COUNCIL'S COMMUNITY OUTCOMES

Community outcomes	How our activity contributes to the community outcomes
Our communities are healthy, safe, inclusive and resilient.	Providing and supporting quality recreational services and facilities which enable participation in community-based activities that are inclusive, healthy and enjoyable.
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	Promoting and celebrating our history and diverse cultures. Supporting organisations that preserve and display our region's heritage and culture.
Our communities have access to a range of social, educational and recreational facilities and activities.	Promoting, supporting and delivering recreational, educational and social services and activities that reflect the diversity of the Tasman District. Assisting community-led facilities, projects and initiatives to deliver benefits across the broader community.
Our unique natural environment is healthy and protected.	Through the EnviroSchools programme, partially funded through the Ministry for the Environment, schools have assistance to initiate activities supporting and teaching sustainability and how we can all reduce our impact on the environment. Assists Council and community-led initiatives to deliver environmental benefits across the broader community.
Our urban and rural environments are people-friendly, well-planned and sustainably managed.	In partnership with the Council's Engineering and Environment and Planning departments delivering environmental, air quality and waste minimisation education to support sustainable management and lifestyles.  Assisting communities to create a unique sense of place through community group funding and advice.
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	Providing opportunities for engagement between the Council and its communities through our communications activities.

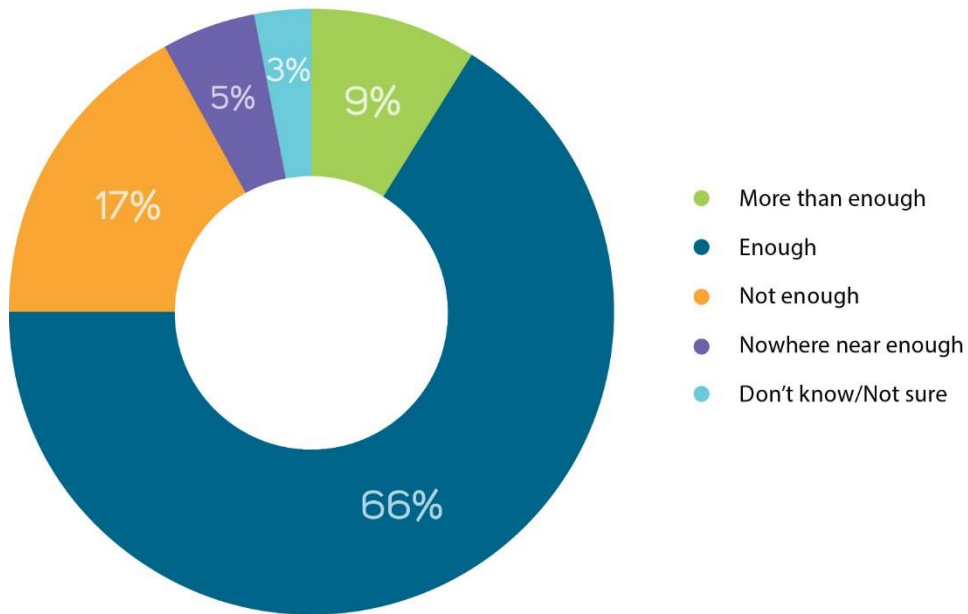
## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Promotion and delivery of community events and recreational services.	Residents attending a range of Council-organised community events rate their satisfaction as “fairly satisfied” or better, as measured through the residents’ survey three yearly. (Target: 80% of the community very or fairly satisfied)	 <p>The Residents’ Survey results for 2018 show that 81% of residents are fairly satisfied or very satisfied. There has been a higher number of events in the 2017/2018 year, catering for a wider user base than previously catered for. These results compare with 75% satisfaction in 2015.</p>
Grants to community groups to deliver services and facilities that enhance community wellbeing	Groups are delivering the services outlined in their applications and that they receive grant money to provide services to the community. (Target: 100% of accountability forms are returned completed.)	 <p>Of the 112 groups who received Community Grants in 2017/2018, 78 have delivered the service they were granted funding for and have accounted for the funds (70%). The Residents’ Survey results for 2018 show that 61% of residents are fairly satisfied or very satisfied with Community Assistance and 32% didn’t know.</p>
Leadership and co-ordination to schools and early childhood centres, to protect and enhance our local environment through education.	The number of schools and early childhood centres developing and maintaining environmental care practices is sustained. The achievement level of each Enviroschool improves over time, as measured by the Enviroschools stages of Bronze, Silver to Green-Gold. (Target 1. 26 schools are engaged in Enviroschools programme.)	<p><b>Target 1</b></p>  <p>There are currently 24 Enviroschools as two pre-schools combined and one dropped out in this period. Staff are in discussion with 5 new schools about joining the programme. This target was fully achieved in 2016/2017.</p>
	Target 2. Enviroschools achievement levels improve over time.)	<p><b>Target 2</b></p>  <p>There are currently 24 Enviroschools. There are 6 Green Gold (4 in 2017), 3 Silver (3 in 2017) and 11 Bronze (8 in 2017).</p>

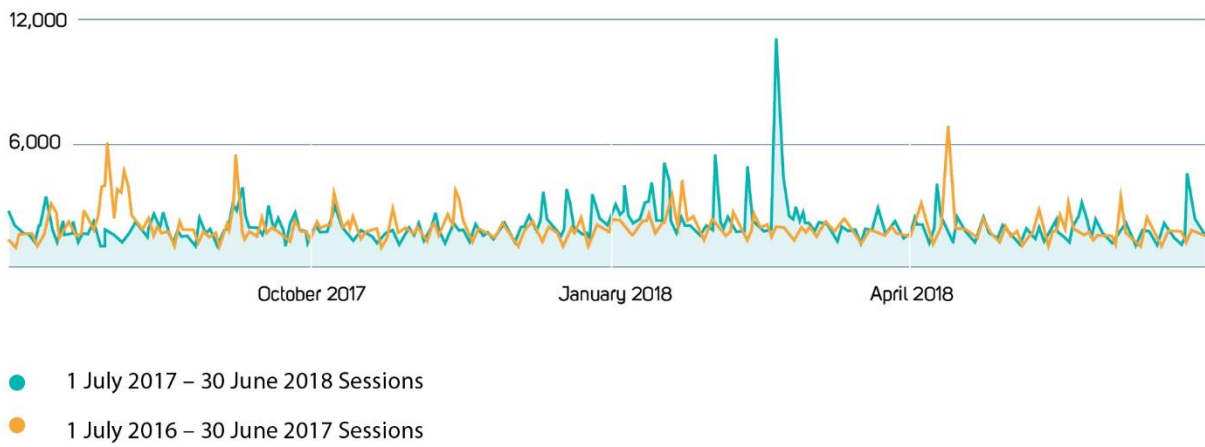
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide a range of communication channels that enhance Council's ability to engage and connect with the communities it serves.</p>	<p>Residents are informed and actively engage with Council: At least 80% of residents consider the information supplied by Council to be sufficient (i.e. enough or more than enough), as measured by the annual residents' survey.</p>	 <p>In the 2018 Residents' Survey, 75% of residents believe the Council provides enough or more than enough information. This compares with 80% in the 2017 survey. Council has a number of recognised channels to provide information to our community. We are looking to add more and rationalise some of the traditional channels to ensure they contribute to community's ability to take part in decision-making. <b>See Figure 41 Sufficiency Information Supplied by Council on page 171.</b></p>
	<p>Usage of Council's website (i.e. sessions, users and page views) increases at a rate of 5% or more per year.</p>	 <p>Council's website has received a 7% increase in new users over the 2017/2018 year. Council is currently in the process of developing a new website. We have shared the proposed new website with a group of community of users to assess usability and compatibility with their online needs. The 7% increase this year compares with an 11% increase in 2016/2017. <b>See Figure 42 Usage of Council's website on page 171.</b></p>

Three of the Community Relations performance targets were achieved, one was achieved within 5% and two were not achieved. The targets for the percentage of Community Grants accountability forms which were returned completed and for the number of schools engaged in the EnviroSchools programme were not achieved.

**Figure 41**  
Sufficiency of Information Supplied by Council

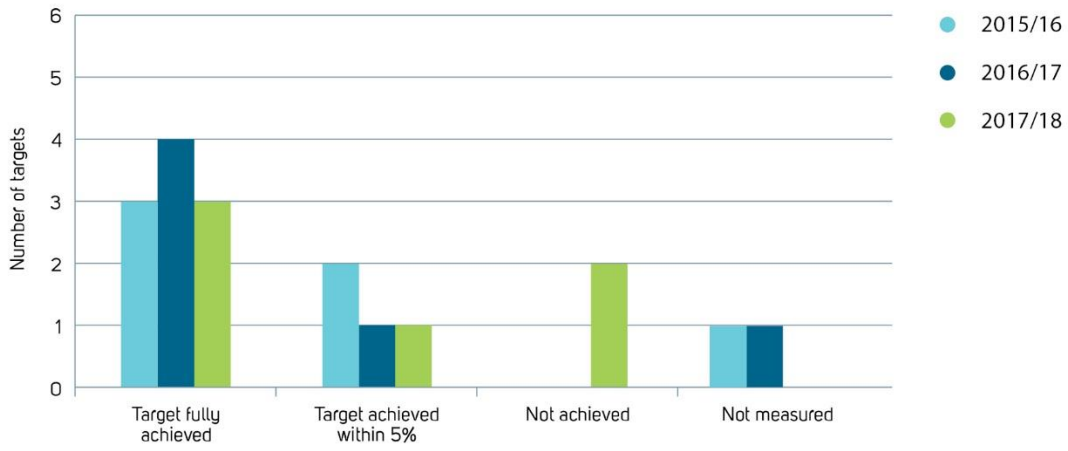


**Figure 42**  
Usage of Council's Website



**Figure 43**

**Community Relations Performance Measures**  
Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

The major activities for Community Relations for 2017/2018 have included:

PLANNED	ACTUAL 2017/2018
<p>The provision of funding and advice for community initiatives and community organisations to enable them to achieve their objectives. Grants are predominately for 'not for profit' community and voluntary groups working for the benefit of Tasman District communities</p>	<p>Council makes grants to organisations whose services and projects provide wide community benefit and wellbeing in activities that are related to the objectives of Tasman District Council. The Tasman District Council allocates funds towards the annual Community Grants with the expectation of the following benefits:</p> <ul style="list-style-type: none"> <li>• to enable Council to work with communities by encouraging community based solutions;</li> <li>• to support the community to find ways to improve the delivery of services or infrastructure;</li> <li>• to support the work of volunteers across the district.</li> <li>• a cost-effective way for services to be delivered to local communities. The return has been calculated as a \$3-\$5 return for every \$1 spent.</li> </ul>
<p>Community engagement – where we provide information to our community and seek their views on Council's proposals.</p>	<p>Engagement with the Tasman communities is important. It helps people have input to Council's decision making processes and helps them understand Council's activities. Our aim is to provide enough information and processes that enable input into Council decision-making. The annual residents' survey showed that 75% of those asked said that Council provided sufficient or more than enough information. We are always looking to enhance our community engagement. Our approach is based 'on their terms, on their turf, in their time'.</p> <p>Youth engagement has taken a positive step with youth councillors taking up advisory roles on the Motueka and Golden Bay Community Boards and on Council's Community Development Committee. We have also provided a wider group of youth council members with governance and civics training.</p>

PLANNED	ACTUAL 2017/2018
<p>The promotion and celebration of our history and diverse cultures through the support of organisations that preserve and display our region's heritage.</p>	<p>The Community Development Department administers operating grants to the Tasman Bays Heritage Trust (Regional Museum) and the Takaka, Murchison and Motueka museums.</p> <p>Council increased funding for the Motueka, Murchison and Takaka museums over the 2017/2018 year to meet the requested increase submitted from Museum Boards.</p> <p>We also support the smaller local museums of Collingwood, Rockville and Aorere through community grants.</p>
<p>Delivery of community and recreation activities which will be funded either through rates or external sources, to promote a pride of place and community wellbeing.</p>	<p>Council provides four community facilities in Murchison, Motueka, Golden Bay and Upper Moutere where management is subcontracted to community groups and Sport Tasman. We have joint ownership and management of the Saxton Field complex with Nelson City Council.</p> <p>In excess of 90 events have been organized over the year throughout the District.</p>
<p>Providing an awareness of environmental and sustainability issues through environmental education programmes, to influence community behaviours and to meet Council's RMA obligations in this field.</p>	<p>The Environmental Education programme works with 24 schools and kindergartens in the Tasman District.</p> <p>There has been an increased focus on taking environmental issues and ideas to the community through existing communication channels. Of particular focus has been air quality and stormwater quality.</p>

## FUNDING IMPACT STATEMENT - COMMUNITY RELATIONS

LTP 2017 \$000	Actual 2017 \$000	Community Relations	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
<b>SOURCES OF OPERATING FUNDING</b>						
1,199	1,182	General rates, uniform annual general charges, rates penalties	1,333	1,333	1,252	100%
1,209	1,202	Targeted rates	1,197	1,200	1,213	100%
80	175	Subsidies and grants for operating purposes	127	81	83	157%
9	31	Fees and charges	4	2	10	200%
0	117	Internal charges and overheads recovered	0	0	0	0%
211	76	Local authorities fuel tax, fines, infringement fees, and other receipts	124	193	211	64%
<b>2,708</b>	<b>2,783</b>	<b>Total operating funding</b>	<b>2,785</b>	<b>2,809</b>	<b>2,769</b>	<b>99%</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>						
2,049	1,900	Payments to staff and suppliers	2,170	2,150	2,084	101%
99	93	Finance costs	70	70	90	100%
409	424	Internal charges and overheads applied	467	455	444	103%
0	0	Other operating funding applications	0	0	0	0%
<b>(2,557)</b>	<b>(2,417)</b>	<b>Total applications of operating funding</b>	<b>(2,707)</b>	<b>(2,675)</b>	<b>(2,618)</b>	<b>101%</b>
<b>151</b>	<b>366</b>	<b>Surplus/(deficit) of operating funding</b>	<b>78</b>	<b>134</b>	<b>151</b>	<b>58%</b>
<b>SOURCES OF CAPITAL FUNDING</b>						
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
0	0	Development and financial contributions	0	0	0	0%
(151)	(129)	Increase (decrease) in debt	(152)	(138)	(151)	110%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>(151)</b>	<b>(129)</b>	<b>Total sources of capital funding</b>	<b>(152)</b>	<b>(138)</b>	<b>(151)</b>	<b>110%</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>						
Capital expenditure						
0	0	- to meet additional demand	0	0	0	0%
0	0	- to improve the level of service	0	0	0	0%
0	115	- to replace existing assets	0	0	0	0%
0	125	Increase (decrease) in reserves	30	0	0	100%
0	(3)	Increase (decrease) in investments	(104)	(4)	0	2600%
<b>0</b>	<b>(237)</b>	<b>Total applications of capital funding</b>	<b>74</b>	<b>4</b>	<b>0</b>	<b>1850%</b>
<b>(151)</b>	<b>(366)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(78)</b>	<b>(134)</b>	<b>(151)</b>	<b>58%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>



# GOVERNANCE

## WHAT WE DO

This activity involves managing 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:

- organising and preparation for Council meetings;
- organising civic ceremonies, such as citizenship ceremonies and Anzac Day services;
- support for councillors, Council and Community Boards and any other assistance required by the Mayor;
- running elections and democratic processes, including community consultation; and
- managing Council's investments in Council Controlled Trading Organisations (CCTOs) and Council Controlled Organisations (CCOs).

Council invests in CCTOs to assist it to achieve its objectives. The CCTOs, listed below, independently manage facilities, deliver services, and undertake developments on behalf of Council:

- Nelson Airport Limited; and
- Port Nelson Limited (note: although Port Nelson is a company half-owned by Council, it is not classed as a CCTO in legislation. However, performance monitoring requirements are similar to those of a CCTO).

## WHY WE DO IT

We undertake this function to support democratic processes and Council decision-making, while meeting our statutory functions and requirements, and to provide economic benefits to our community.

## ELECTORAL PROCESS

Our 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

We enjoy friendly town/community relationships with three towns across the world, two in Japan and one in Holland. Motueka has a friendly town relationship with Kiyosato in Japan, and Richmond has a friendly town relationship with Fujimi-Machi in Japan. There are regular exchanges of students and adults between the towns. Takaka has a friendly town 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 COUNCIL'S COMMUNITY OUTCOMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOMES
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	The Governance activity ensures that democratic processes are undertaken and supports the work of elected members.
Our region is supported by an innovative and sustainable economy.	The CCTOs provide an economic return to Council and ratepayers and also provide employment opportunities.

OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS


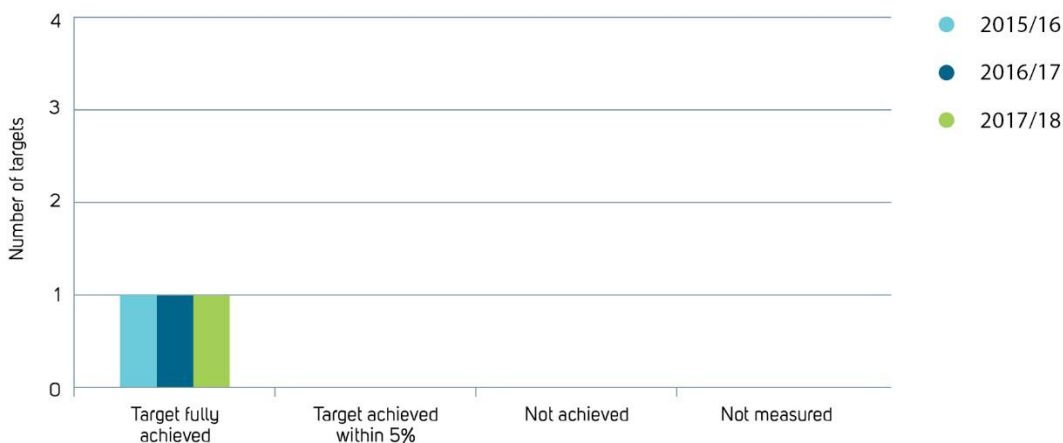
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
We effectively run election processes.	Electoral processes are carried out within statutory requirements and there are no successful challenges.	 <p>A by election was held in February 2018 for a Golden Bay Community Board member, attracting four candidates for the position. There were no challenges to the Golden Bay Community Board By-election.</p>

Figure 44

Governance Performance Measures

Comparison of number of performance measures met over three years



The number of performance measures for the Governance Group have decreased from the previous LTP 2012 – 2022. Several performance measures have been transferred to ‘Support Services’.

## FUNDING IMPACT STATEMENT – GOVERNANCE

LTP 2017 \$000	Actual 2017 \$000	Governance	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
		<b>SOURCES OF OPERATING FUNDING</b>				
3,010	3,025	General rates, uniform annual general charges, rates penalties	3,047	3,047	2,966	100%
296	295	Targeted rates	301	300	303	100%
0	0	Subsidies and grants for operating purposes	0	0	0	0%
11	87	Fees and charges	4	11	11	36%
0	433	Internal charges and overheads recovered	0	0	0	0%
172	109	Local authorities fuel tax, fines, infringement fees, and other receipts	266	128	107	208%
<b>3,489</b>	<b>3,949</b>	<b>Total operating funding</b>	<b>3,618</b>	<b>3,486</b>	<b>3,387</b>	<b>104%</b>
		<b>APPLICATIONS OF OPERATING FUNDING</b>				
2,063	1,983	Payments to staff and suppliers	2,021	1,940	1,928	104%
0	0	Finance costs	0	0	0	0%
910	1,381	Internal charges and overheads applied	1,006	1,033	913	97%
0	0	Other operating funding applications	0	0	0	0%
<b>(2,973)</b>	<b>(3,364)</b>	<b>Total applications of operating funding</b>	<b>(3,027)</b>	<b>(2,973)</b>	<b>(2,841)</b>	<b>102%</b>
<b>516</b>	<b>585</b>	<b>Surplus/(deficit) of operating funding</b>	<b>591</b>	<b>513</b>	<b>546</b>	<b>115%</b>
		<b>SOURCES OF CAPITAL FUNDING</b>				
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
0	0	Development and financial contributions	0	0	0	0%
0	0	Increase (decrease) in debt	0	0	0	0%
0	0	Gross proceeds from sale of assets	0	0	0	0%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>0</b>	<b>0</b>	<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
		<b>APPLICATIONS OF CAPITAL FUNDING</b>				
		Capital expenditure				
0	0	- to meet additional demand	0	0	0	0%
0	0	- to improve the level of service	0	0	0	0%
2	13	- to replace existing assets	35	2	2	1750%
514	572	Increase (decrease) in reserves	556	511	544	109%
0	0	Increase (decrease) in investments	0	0	0	0%
<b>(516)</b>	<b>(585)</b>	<b>Total applications of capital funding</b>	<b>(591)</b>	<b>(513)</b>	<b>(546)</b>	<b>115%</b>
<b>(516)</b>	<b>(585)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(591)</b>	<b>(513)</b>	<b>(546)</b>	<b>115%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

## COUNCIL ENTERPRISES AND PROPERTY

### NATURE AND SCOPE

The Council Enterprises and Property section comprises:

- Council's Commercial Activities which include forestry, aerodromes, ports, commercial campgrounds and commercial property;
- Property Services (i.e. residential tenancies, Council offices and libraries and provision of leasing and property management services).

### WHAT WE DO

This group of activities involves the management of approximately 2,800 stocked hectares of commercial plantation forest, aerodromes in Motueka and Takaka, a mixture of leased and managed camping grounds in Motueka, Pohara, Collingwood and Murchison, management of Port Tarakohe and management of commercial property assets.

### WHY WE DO IT

Council's ownership and management ensures its assets are retained for both the commercial and recreational community – their economic development and strategic importance is critical to all ratepayers and facility users. These assets provide benefits to all users via employment and development for the wider community. Income streams from commercial activities and commercial investments provide additional income to Council. This additional income reduces Council's reliance on rates to fund its activities.

### OUR GOAL

To provide management of Council property assets that contributes toward the enhancement of our District at the level of service that the customer wants and is prepared to pay for and in a manner that minimises conflict with the community.

To undertake commercial and semi-commercial activities that meet user needs, provide a safe and compliant working environment, and that are financial sustainable.

### HOW THIS ACTIVITY CONTRIBUTES TO COUNCIL'S COMMUNITY OUTCOMES

#### AERODROMES

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our unique natural environment is healthy and protected.	All aerodromes can be managed so the impacts of any effects do not affect the health and cleanliness of the receiving environment.
Our urban and rural environments are people-friendly, well planned and sustainably managed.	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.
Our infrastructure is efficient, cost effective and meets current and future needs.	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.

## CAMPGROUNDS

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our region is supported by an innovative and sustainable economy.	Running a viable and economically sustainable model ensures development and growth opportunities are paid for by users, not the ratepayers. Facilities are able to be maintained and levels of service gradually improved through a consistent reinvestment strategy based on community use.
Our infrastructure is efficient, cost effective and meets current and future needs.	Campgrounds provide the users with a variety of facilities to choose from at an affordable price level while also looking towards future needs of a changing market. There are changing community expectations around campground facilities.
Our Council provides leadership and fosters partnerships, a regional perspective and community	Open and good dialogue with operators of Council facilities fosters strong relationships with common ground. Council receives constant feedback and recommendations from operators regarding trends and issues which achieves strong buy in by lessees.
Our communities are healthy, safe, resilient and inclusive.	The campground industry is heavily regulated by public health authorities. This is achieved through operating and complying with increasing legislative and health and safety standards.

## COMMERCIAL PROPERTY

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our region is supported by an innovative and sustainable economy.	<p>Council has approved the construction of a retail commercial property on council land at Mapua. This will support the increased economic activity Council has seen in this area over recent years. Financial analysis shows a sound return on investment can be expected. Other commercial property holdings provide an income stream to Council to reduce its reliance on rates and adds to the critical mass already achieved on this site.</p> <p>Council continues to manage commercial properties at Mapua, Fittal Street, Queen Street and Port Motueka.</p>
Our infrastructure is efficient, cost effective and meets current and future needs.	Assets must meet current and future needs reflected in both commercial performance and viability and, where appropriate, community benefits. The primary focus of all commercial assets is the financial viability.
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	Council established the Mapua Advisory Group as a means of engaging with the community on council activities in the Mapua Wharf precinct.
Our communities have access to a range of social, educational and recreational facilities and activities.	Evidenced by use of the Mapua precinct for a range of educational and recreational activities e.g. sea scouts, boat club, fishing and boat ramp for fishing and recreational craft.

## FORESTRY

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our region is supported by an innovative and sustainable economy.	The long term cut plan has been developed to produce as much as possible an even flow of timber from Council's forestry estate. The ultimate objective is to achieve a non-declining annual volume cut from the forests with an average stand rotation length of approximately 28 years.
Our unique natural environment is healthy and protected.	All forests are managed according to the various policies and plans so the impacts of any effects do not affect the health and cleanliness of the receiving environment.
Our urban and rural environments are people-friendly, well planned and sustainably managed.	Where practical and safe Council enables public access and use of forests for recreation e.g. biking, horse riding and walking.
Our infrastructure is efficient, cost effective and meets current and future needs.	Olsen's have been appointed with a management contract over all Tasman District Council forests and have gained Forest Stewardship Council (FSC) accreditation ensuring our forests are sustainably managed within internationally recognised guidelines.

## PORTS

COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our region is supported by an innovative and sustainable economy.	Running a viable and economically sustainable port ensures development and growth opportunities are paid for by users and does not place an undue burden on District ratepayers.
Our infrastructure is efficient, cost effective and meets current and future needs.	The Port Taroakohe activity provides commercial and recreational users with facilities to meet stakeholder needs, at an affordable cost and is positioned for future growth. Applying commercial disciplines to the running of the port ensures it is efficient and financially sustainable.
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.	Council has re-established the Port Taroakohe Advisory Group (PTAG) and opened communication lines with all key stakeholders to improve engagement with all users and gain support for port development initiatives.
Our communities have access to a range of social, educational and recreational facilities and activities.	Port Taroakohe facilities offer access for communities to a safe boating facility for a range of recreational activities to meet social, educational and recreational needs.
Our unique natural environment is healthy and protected.	Port Taroakohe facilitates activities within a recognised landscape area and attempts to minimise any impact on the wider Golden Bay environment.

## PROPERTY





COMMUNITY OUTCOMES	HOW OUR ACTIVITY CONTRIBUTES TO THE COMMUNITY OUTCOME
Our unique natural environment is healthy and protected.	All Property assets are managed so the impacts of any effects do not affect the health and cleanliness of the receiving environment.
Our urban and rural environments are people-friendly, well planned and sustainably managed.	The Property activity is managed so that the impact of any property development upon the environment is minimised and any future developments have environmental sustainability as an expectation.
Our communities are healthy, safe, inclusive and resilient.	Our offices and Libraries will be accessible for persons with disabilities and will also provide a safe and welcoming environment.






## OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
Buildings and property services that comply with legislative and resource and building consent requirements.	All operational buildings (offices and libraries) and commercial buildings comply with resource, building consent and any other legislative requirements. (Target: 100% compliance.)	 <p>All buildings and property services are compliant. We display current Building Warrants of Fitness, maintain compliance schedules and comply with resource consents. This target was fully achieved in 2016/2017.</p>
Property and building assets that are functionally appropriate and meet the needs of users and customers.	Customers and users are satisfied with the buildings they occupy and the level of service provided. As measured by a three-yearly survey of selected customers. (Target: 75% of customers surveyed are satisfied or very satisfied.)	 <p>A survey of selected customers was due to be carried out in 2017/2018 but has not taken place. This was not measured in 2016/2017.</p>
Our aerodromes are operated in a safe manner.	Our aerodromes are managed in accordance with Civil Aviation Authority (CAA) requirements. As measured through a CAA audit. (Target: 100%.)	 <p>No CAA audit was undertaken in 2017/2018. This target was fully achieved in 2016/2017.</p>
The glide path for planes is free of obstructions, as determined by CAA. (Target: 0 non-compliances.)	The glide path for planes is free of obstructions, as determined by CAA. (Target: 0 non-compliances.)	 <p>The glide path for planes was free of obstruction. Temporary obstacles during construction of a nearby building at Motueka Aerodrome were managed via NOTAM notices. This target was fully achieved in 2016/2017.</p>
No Health and Safety incidents.	No Health and Safety incidents. (Target: 0 non-compliances.)	 <p>There were no health and safety incidents reported to us in 2017/2018 (compared with 0 in 2016/2017).</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Faults in the aerodromes system are responded to and fixed promptly.</p>	<p>We respond to Customer Service Requests regarding faults on our aerodromes within the timeframes we have agreed with our suppliers and operators, and within available funding.</p> <p>(Target: 100%.)</p>	 <p>There were no faults reported in 2017/2018. Takaka aerodrome faults were attended to by the local management committee. Motueka Aerodrome faults are managed from Council’s Richmond office through the customer service request process. From 1 July, Takaka aerodrome faults will also be managed through Council’s customer service process as there is no longer a management committee.</p> <p>This was not achieved in 2016/2017.</p>
<p>Aerodromes managed in a financially sustainable manner</p>	<p>Aerodromes managed in a financially sustainable manner.</p> <p>(No target.)</p>	 <p>The aerodromes are not yet at breakeven point overall.</p> <p>We manage both Motueka and Takaka Aerodromes with a focus on improving financial sustainability and continue to record an operational cash profit from trading.</p> <p>This was not achieved in 2016/2017.</p>
<p>Campground Health and Safety procedures are in line with industry best practice and improved to external audit findings</p>	<p>Fully compliant at all times, or if issues identified a corrective plan implemented within 30 days.</p> <p>(Target: Compliant)</p>	 <p>Our Holiday Parks are maintained in a fully compliant state, and any new issues are addressed immediately.</p> <p>This target was fully achieved in 2016/2017.</p>
<p>Campground financial sustainability must be achieved.</p>	<p>Earnings Before Interests, Taxes, Depreciation and Amortization (EBITDA) performance of the campgrounds must provide 1.2 times funding cover.</p> <p>(Target: 1.5 times)</p>	 <p>The reported financial EBITDA provides 2.1 times funding cover (compared with 2.1 times in 2016/2017).</p>



LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Effective, and responsible management of campground assets ensuring achieving financial sustainability, whilst recognising the social and recreational benefits of campgrounds to the community.</p>	<p>Condition assessment is based on lease or management model.</p> <p>It should include a focus to improve ratings.</p> <p>(Target: 3 star average)</p>	 <p>The current Trip Advisor ratings (out of 5) are:</p> <ul style="list-style-type: none"> <li>• Pohara – 4.5</li> <li>• Collingwood – 4.0</li> <li>• Motueka – 4.5</li> <li>• Murchison – 4.5</li> </ul> <p>This target was fully achieved in 2016/2017.</p>
	<p>Occupancy should sit within a 10% variable of the regional average by year 3 for similar campground activities.</p> <p>(Target: 40% occupancy)</p>	 <p>Full data for this measure was not available.</p> <p>This was not measured in 2016/2017.</p>
	<p>Achieving financial returns in line with the budget projections while not compromising the level of service to the community on most assets.</p> <p>(Target: Tariffs=90% of national range; Model=mixed).</p>	 <p>Financial performance is currently tracking below budget, due to impact on Takaka Hill closure in early 2018.</p> <p>This was not measured in 2016/2017.</p>
	<p>Council’s return will improve based on reinvestment levels. Levels of service (LOS) changes in new financial strategy adoption.</p> <p>(Target: 17%)</p>	 <p>Reinvestment has been deferred for Pohara, Murchison and Collingwood.</p> <p>This compares with 12.5% in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Commercial property assets that are financially sustainable.</p>	<p>EBITDA performance of the commercial property portfolio will increase towards 1.0 times funding cover of all depreciation and debt servicing. (Target: Actual 0.8.)</p>	 <p>Our funding cost cover was 1.6 times in 2017/2018. This compares with 0.8 times in 2016/2017.</p>
<p>Commercial property assets that are financially sustainable.</p>	<p>Occupancy of all commercial tenancies at or above 90% at all times. (Target: Occupancy= 100%.)</p>	 <p>Occupancy has been at or above 90% at all times throughout the 2017/2018 year. This compares with 100% occupancy in 2016/2017.</p>
<p>Commercial property assets that are financially sustainable.</p>	<p>Weighted lease terms evenly spread with 3 year average. (Target: average lease 3 years.)</p>	 <p>The Weighted Average Lease Term is currently 4.86 years based on the period up to first renewal only. This target was fully achieved in 2016/2017.</p>
<p>Commercial property assets that are financially sustainable.</p>	<p>Condition assessment programme reviewed every 3 months. (Target: regular completion or quarterly condition assessment – no variation.)</p>	 <p>The quarterly assessment programme was deferred due to lack of resource. Only annual Building Warrant of Fitness reports, and ad-hoc condition assessments have been done. This was not achieved in 2016/2017.</p>
<p>Fit for purpose commercial assets that are required to comply with legislative needs, minimize health and safety issues, providing effectiveness and efficiencies now and into the future.</p>	<p>No health and safety issues arise directly attributable to Council inaction/control. (Target nil.)</p>	 <p>We achieved our target of no health and safety issues in 2017/2018. There were no health and safety issues in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
	<p>Council is able to respond to reasonable Customer Service Requests within the timeframes we have agreed with our suppliers and within the available funding.</p> <p>(Target: all service requests completed with 48 hours and within budget).</p>	 <p>All Customer Service Requests are responded to within 48 hours. However resulting work can take longer due to availability of maintenance resources and parts.</p> <p>This was not measured in 2016/2017.</p>
<p>Fit for purpose commercial assets that are required to comply with legislative needs, minimize health and safety issues, providing effectiveness and efficiencies now and into the future.</p>	<p>Resource consents and building consents are held and complied with for works undertaken by Council or its contractors. As measured by inspections, defaults and abatement notices issued to Council.</p> <p>(Target: all buildings and activities consents – no variation.)</p>	 <p>The consent for Mapua Wharf Shed 4 consent has been delayed. Work is pending to reconfigure the space due to a tenancy change.</p> <p>The new consent application for Mapua Wharf Shed 5 and associated works are underway.</p> <p>This was not achieved in 2016/2017.</p>
<p>Forestry health and safety procedures are in line with industry best practice and improved to external audit findings</p>	<p>Forestry is a high risk activity.</p> <p>Regular external audit of all Council processes will occur</p> <p>(Target: compliant.)</p> <p>Contractors are to have their own health and safety processes which are externally audited and assessed Forest Stewardship Council (FSC) accreditation processes.</p> <p>(Target: accredited.)</p>	 <p>Our forestry managers, PF Olsen adopt industry best practice and oversee all Council processes.</p> <p>This target was fully achieved in 2016/2017.</p>  <p>All contractors have authorised health and safety plans.</p> <p>This target was fully achieved in 2016/2017.</p>

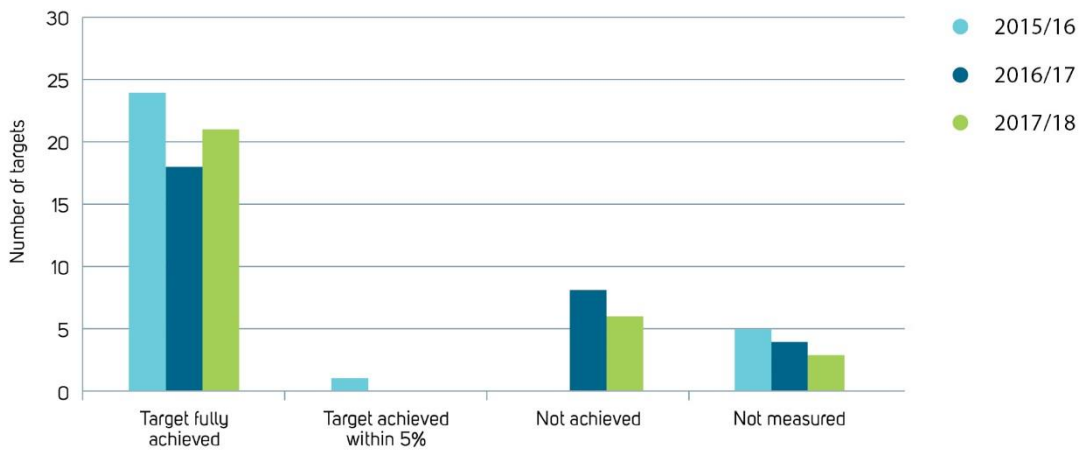
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>Forestry fit for purpose condition assessment is required to comply with legislative and user requirements whilst providing efficient and effective Forestry operations. This LOS will be directly related and recognise the commercial returns required by further investment by Council.</p>	<p>External six monthly risk reviews identifying key risks and actions required to mitigate.</p> <p>(Target: key risks = not met or measured.)</p>	 <p>PF Olsen perform regular risk reviews.</p> <p>This was not achieved in 2016/2017.</p>
<p>Forestry fit for purpose condition assessment is required to comply with legislative and user requirements whilst providing efficient and effective Forestry operations. This LOS will be directly related and recognise the commercial returns required by further investment by Council.</p>	<p>Quarterly internal processes have been refined to ensure full quarterly review identifies and limits key risks.</p> <p>(Target: quarterly processes underway – met.)</p>	 <p>Quarterly reporting is underway which addresses the review of key risks and the completion of necessary actions.</p> <p>This was not achieved in 2016/2017.</p>
<p>Forestry fit for purpose condition assessment is required to comply with legislative and user requirements whilst providing efficient and effective Forestry operations. This LOS will be directly related and recognise the commercial returns required by further investment by Council.</p>	<p>External quarterly reporting is required within 45 days of period end by contractor.</p> <p>(Target: contractor reporting –no exceptions.)</p>	 <p>Quarterly reporting as documented under our forestry contract with PF Olsen has been completed.</p> <p>This target was fully achieved in 2016/2017.</p>
<p>Forestry fit for purpose condition assessment is required to comply with legislative and user requirements whilst providing efficient and effective Forestry operations. This LOS will be directly related and recognise the commercial returns required by further investment by Council.</p>	<p>We respond to customer service requests within 48 hours and within available budget funding.</p> <p>(Target: service requests – no exceptions.)</p>	 <p>All Customer Service Requests are responded to within 48 hours. However resulting work can take longer due to availability of maintenance resources and parts.</p> <p>This target was fully achieved in 2016/2017.</p>

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
	<p>Appropriate consents are held and complied with. Measured by inspections, defaults and abatement notices issued to Council.</p> <p>(Target: consents – no exceptions.)</p>	 <p>PF Olsen is responsible for ensuring consents are complied with and managing any non-compliance. No cases of non-compliance have been advised to Council during this year (compared with no exceptions in 2016/2017).</p>
<p>Forestry financial sustainability must be achieved.</p>	<p>Performance of Forestry must provide a net Return on Assets return (ex replanting, management and all activities) of 4%.</p> <p>(Target: 2.5%.)</p>	 <p>We have achieved a net return of 9.6% on forestry estate value (pre revaluation) in 2017/2018. This compares with a net return of 9.7% in 2016/2017.</p>
<p>Port Tarakohe health and safety procedures are in line with industry best practice and improved to external audit findings.</p>	<p>There will be no health and safety events at the port that are attributed to Council or the Port Manager.</p> <p>(Target: compliant.)</p>	 <p>We have had no Council attributed health and safety events in 2017/2018. There were no health and safety events in 2016/2017.</p>
<p>Financial sustainability for Port Tarakohe must be achieved.</p>	<p>EBITDA performance of the Port must provide 1.2 times funding cover of all depreciation and debt servicing. The main activities at the port (wharf, marina, recreation) are self-funding.</p> <p>(Target: 1.7 times.)</p>	 <p>EBITDA funding cover is 0.6 in 2017/2018. This compares with 0.4 times in 2016/2017.</p>

78% of Level of Service targets that were measured were fully achieved in 2017/2018, compared with 69% in 2016/2017.

**Figure 45****Council Enterprise and Property Performance Measures**

Comparison of number of performance measures met over three years



## MAJOR ACTIVITIES

The Council Enterprises and Property Group of Activities involves the management, maintenance and renewals of Council's investments in Forestry, Motueka and Takaka aerodromes, four holiday parks, commercial property, operation property, residential tenancies and provision of property management services.

PROJECT NAME	LTP YEARS 1-3	2017-2018 BUDGET	ACTUAL 2017/2018
Golden Bay Service Centre	\$506,534	\$0	\$6,218 was spent in the 2017/2018 year. This was for minor works to the building.
Motueka Aerodrome access off College Street	\$16,368	\$0	No funds were spent in the 2017/2018 year. The project was completed in 2015/2016.
Motueka Aerodrome Power and Data Reticulation	\$96,920	\$95,696	\$2,153 was spent in the 2017/2018 year. The bulk of the project is pending, due to ongoing negotiations with service providers.
Motueka Aerodrome Pressure Wastewater System	\$10,769	\$10,633	No funds were spent in the 2017/2018 year. The project is pending, as it is connected to the above project.
Mapua Rebuild	\$1,023,000	\$0	\$15,536 was spent in the 2017/2018 year. The project to build additional commercial retail premises was not included in the 2017/18 budget. Minor CAPEX incurred.
Mapua Wharf Extension / Streetscaping	\$263,681	\$32,377	No funds were spent in the 2017/2018 year. The costs for the wharf extension were not included in 2017/2018 budget. The streetscaping costs have been deferred.
Mapua Wharf Precinct Works	\$0	\$426,000	\$415,014 was spent in the 2017/2018 year. The original budget was \$357,000, and \$69,000 was added to the budget by way of Council resolution in 2017/18 bringing the total to \$426,000. This project was to undertake major repairs to Shed 1 and the wharf structure.
183 Queen Street Remedial Works	\$0	\$500,000	No Funds were spent in the 2017/2018 year. The project to fix inherent defects in the building was not started.

PROJECT NAME	LTP YEARS 1-3	2017-2018 BUDGET	ACTUAL 2017/2018
Port Tarakohe Water Piping and Storage	\$51,150	\$0	No funds were spent in the 2017/2018 year. This project has merged into the pile berths project.
Port Tarakohe Crane	\$167,936	\$0	No funds were spent in the 2017/2018 year. This project has merged into the pile berths project.
Port Tarakohe Second Wharf / Hardstand	\$76,725	\$85,063	\$20,106 was spent in the 2017/2018 year. Car parking improvements only.
Port Tarakohe Pile Berths	\$51,150	\$1,350,000	\$970,847 was spent in the 2017/2018 year. Council approved costs of \$1.35million in May 2017 to replace pile berths with a new concrete floating marina and other related improvements. The original budget was \$850,000 but another \$500,000 was brought forward from later in the Long Term Plan 2015-2025, where an additional \$2,273,861 was planned to be spent in years 4-10.
Motueka Campground	\$1,655,079	\$41,405	\$32,422 was spent in the 2017/2018 year. Buyback of lessee improvements completed prior to 2017/2018. Ongoing maintenance programme only in 2017/2018.
Pohara Campground	\$632,488	\$586,972	\$64,669 was spent in the 2017/2018 year. Proposed buyback of lessee improvements deferred, pending proposed sale of lessee interests. Ongoing upgrade programme only in 2017/2018.
Murchison Campground	\$161,533	\$159,493	\$48,700 was spent in the 2017/2018 year. Bulk of proposed reinvestment deferred. Transformer was upgraded during the year and the number of powered sites extended.
Collingwood Campground	\$565,310	\$561,000	\$27,139 was spent in the 2017/2018 year. Major reinvestment deferred, due to flood events. Outdoor furniture upgraded and other minor CAPEX in current year.



PROJECT NAME	LTP YEARS 1-3	2017-2018 BUDGET	ACTUAL 2017/2018
Richmond Office Refit	\$0	\$153,000	<p>\$37,552 was spent in the 2017/2018 year.</p> <p>Major works deferred pending accommodation review.</p>

## FUNDING IMPACT STATEMENT – COUNCIL ENTERPRISES AND PROPERTY

LTP 2017 \$000	Actual 2017 \$000	Council Enterprises	Actual 2018 \$000	Budget 2018 \$000	LTP 2018 \$000	% of Budget
		<b>SOURCES OF OPERATING FUNDING</b>				
46	28	General rates, uniform annual general charges, rates penalties	91	108	72	84%
0	0	Targeted rates	0	0	0	0%
0	0	Subsidies and grants for operating purposes	0	0	0	0%
1,115	1,162	Fees and charges	1,055	1,082	1,174	98%
0	300	Internal charges and overheads recovered	0	0	0	0%
4,351	5,935	Local authorities fuel tax, fines, infringement fees, and other receipts	8,609	5,836	4,929	148%
<b>5,512</b>	<b>7,425</b>	<b>Total operating funding</b>	<b>9,755</b>	<b>7,026</b>	<b>6,175</b>	<b>139%</b>
		<b>APPLICATIONS OF OPERATING FUNDING</b>				
2,868	4,292	Payments to staff and suppliers	5,249	4,484	3,515	112%
536	391	Finance costs	323	389	529	83%
603	1,046	Internal charges and overheads applied	752	837	597	90%
0	0	Other operating funding applications	0	0	0	0%
<b>(4,007)</b>	<b>(5,729)</b>	<b>Total applications of operating funding</b>	<b>(6,324)</b>	<b>(5,710)</b>	<b>(4,641)</b>	<b>107%</b>
<b>1,505</b>	<b>1,696</b>	<b>Surplus/(deficit) of operating funding</b>	<b>3,431</b>	<b>1,316</b>	<b>1,534</b>	<b>278%</b>
		<b>SOURCES OF CAPITAL FUNDING</b>				
0	0	Subsidies and grants for capital expenditure	0	0	0	0%
0	0	Development and financial contributions	0	0	0	0%
181	(475)	Increase (decrease) in debt	902	1,621	(399)	56%
0	426	Gross proceeds from sale of assets	503	0	0	100%
0	0	Lump sum contributions	0	0	0	0%
0	0	Other dedicated capital funding	0	0	0	0%
<b>181</b>	<b>(49)</b>	<b>Total sources of capital funding</b>	<b>1,405</b>	<b>1,621</b>	<b>(399)</b>	<b>72%</b>
		<b>APPLICATIONS OF CAPITAL FUNDING</b>				
		Capital expenditure				
0	0	- to meet additional demand	0	0	0	0%
525	4	- to improve the level of service	1,041	1,252	162	83%
588	225	- to replace existing assets	627	1,193	442	53%
573	1,418	Increase (decrease) in reserves	3,168	492	531	644%
0	0	Increase (decrease) in investments	0	0	0	0%
<b>(1,686)</b>	<b>(1,647)</b>	<b>Total applications of capital funding</b>	<b>(4,836)</b>	<b>(2,937)</b>	<b>(1,135)</b>	<b>165%</b>
<b>(1,505)</b>	<b>(1,696)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(3,431)</b>	<b>(1,316)</b>	<b>(1,534)</b>	<b>278%</b>
<b>0</b>	<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

## SUPPORT SERVICES

This section covers strategic planning, customer services, finance, human resources, information management, and health and safety.

Support Services are the internal teams that help Council operate efficiently. Support Services are an essential part of ensuring we operate in an effective and efficient manner, meeting our statutory obligations, and working towards the achievement of community outcomes. These activities are internally focused and do not generally have a direct output to the community, rather they are internal support systems for those activities that do. The Support Service activities have their own business plans which outline the strategic focus for the activity and the major projects proposed.

This group is not classed as a 'group of activities' for LTP purposes and no funding impact statement is produced for these activities, however we set and report against levels of service.

### STRATEGIC PLANNING

We engage the community in the development of our key documents. The LTP is our 10 year business plan that provides the vision and direction for the District; we prepare these once every three years. The Annual Plan is prepared in the years between LTPs. The Annual Report is produced every year to ensure that we are doing what we said we would in the LTP/Annual Plan.

We are responsible for other cross-Council policy work (e.g. Growth Strategy, Pre-Election Report); for reserves planning; for monitoring and reporting on performance; and for guidance on legislative processes (e.g. bylaws, consultation requirements etc.).

### CUSTOMER SERVICES

The customer services team provide a 'one stop shop', offering various contact options to customers through phone, email or face to face contact. Service centres are based in Richmond, Motueka, Takaka and Murchison.

Internal departments also rely on customer services to answer customer enquiries and process certain applications on their behalf.

### FINANCE

The finance team is responsible for offering financial advice and services to all of our other activities. All of our operations have some financial aspect to them and require support in areas such as revenue gathering, capital funding, meeting financial and tax obligations, monitoring of expenditure, and corporate reporting.

This activity provides a cost effective financial and accounting service that enhances the achievement of our goals and meets the needs of the organisation. It also provides a payroll service.

### HUMAN RESOURCES

The human resource activity works in partnership with managers to ensure that we recruit, train, and support our staff to perform in their roles competently. This activity provides training and development, performance management, remuneration, and related policy development and planning.

### INFORMATION SERVICES AND RECORDS MANAGEMENT



The primary roles of the information services and records management teams are to support and assist other activities to meet their goals and objectives through the provision of practical technological solutions and effective management of data and records. Services provided include information technology, records management, land administration, data integrity and geographical information systems.

### HEALTH AND SAFETY

This service is in place to support all of our activities and to provide a system to ensure that all health and safety objectives can be addressed and achieved as well as meeting our legislative requirements. This activity underpins good management as well as developing and enhancing corporate culture.

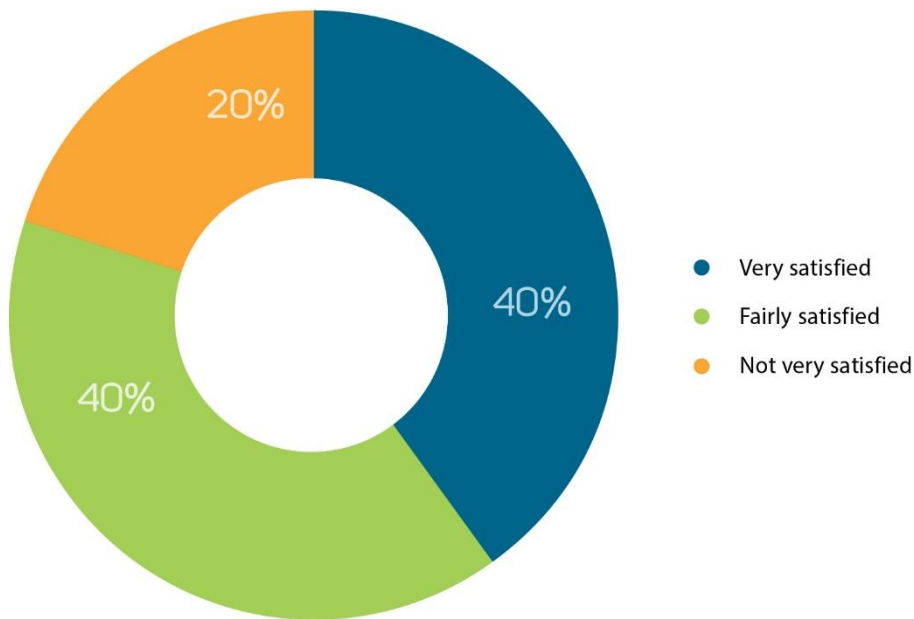
OUR LEVELS OF SERVICE AND HOW WE MEASURE PROGRESS

LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We respond to customer requests in a timely and professional manner.</p>	<p>At least 85% of respondents are either fairly satisfied or very satisfied with the service they receive when they contact Council, as measured by the annual residents' survey. (Target: 86.5% customer satisfaction rate.)</p>	<div data-bbox="986 450 1251 584" data-label="Figure"> </div> <p>The Residents' Survey results for 2018 show 80% of residents who contacted the council in the last 12 months were fairly satisfied or very satisfied with the service they received.</p> <p>There has been an overall decrease in satisfaction on service delivery across all areas. Service requests increased by 3,760 over the previous year.</p> <p>These results compare with 90% who were very or fairly satisfied in 2017.</p> <p><b>See figure 46 Satisfaction with Service Received when Contacting Council on page 197.</b></p>
<p>We produce high quality, fit for purpose and accessible Long Term Plans (LTP), Annual Plans (AP) and Annual Reports (AR).</p>	<p>The Long Term Plan, Annual Plans and Annual Reports are prepared within statutory timeframes and there are no successful challenges to these processes. (Target: All LTP, AP and AR statutory timeframes are met. LTP amendments are managed to meet statutory requirements.)</p>	<div data-bbox="986 1032 1251 1167" data-label="Figure"> </div> <p>The Long Term Plan 2018-2028 was adopted on 28 June 2018 in compliance with statutory requirements. There were no challenges to this process. An unmodified audit report was issued on the Long Term Plan 2018-2028 by Audit New Zealand on behalf of the Office of the Auditor General.</p> <p>The Annual Report 2016/2017 was adopted by Council on 28 September 2017 in compliance with statutory requirements.</p> <p>These targets were fully achieved in 2016/2017 with the adoption of the Annual Plan for 2017/2018 and the Annual Report for 2015/2016.</p>
<p>We provide resolution of most customer phone enquiries during the initial conversation with a Customer Services Officer.</p>	<p>80% of customer phone calls are resolved at first point of contact (i.e. without the need to transfer the call to another staff member). (Target: ≥80% of customer phone calls resolved at first point of contact.)</p>	<div data-bbox="986 1664 1251 1798" data-label="Figure"> </div> <p>82% of customer calls were resolved at first point of contact.</p>

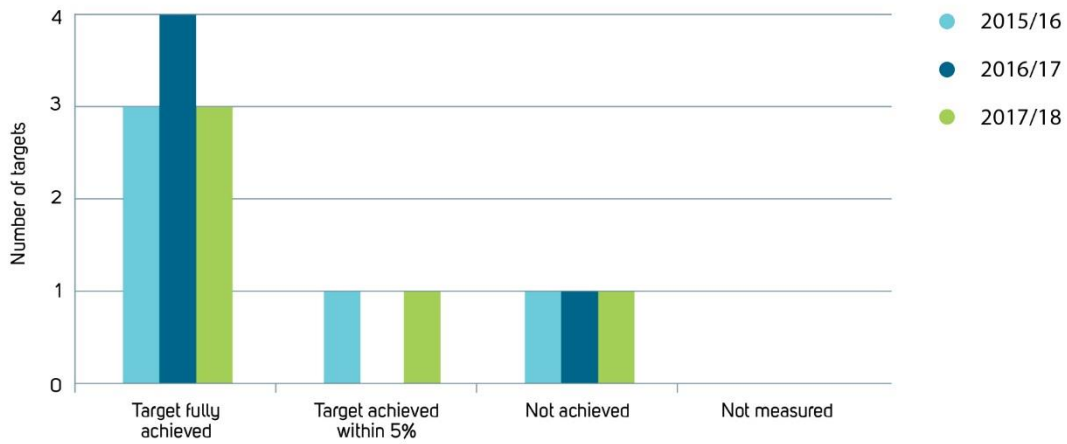
LEVELS OF SERVICE (WE PROVIDE)	WE WILL KNOW WE ARE MEETING THE LEVEL OF SERVICE IF	CURRENT PERFORMANCE
<p>We provide Land Information Memorandums (LIMs) to customers within 10 working days.</p>	<p>100% of LIM applications are processed within the statutory timeframes (i.e. 10 working days). (Target 1: 100% of LIMs are processed within statutory timeframes.)</p>	<p><b>Target 1</b></p>  <p>For the 2017/2018 year we achieved 100% success rate with all 771 LIM applications processed on time. There was a minor increase of 1% in the number of LIM applications processed, compared with the previous year.</p>
	<p>The average time taken to process a LIM is reduced to 5 working days by 2016. (Target 2: The average LIM processing time is 5 working days.)</p>	<p><b>Target 2</b></p>  <p>The average processing time for our LIM's is 6.5 working days, reduced from seven working days in the previous year. Although we did not reach our target of 5 working days, our timeframes are still within the legislative requirement of 10 working days (LGOIMA 1987 s44A).</p>

Three of the Support Services targets were achieved in 2017/2018, compared with four in 2016/2017.

**Figure 46**  
Satisfaction with Service Received When Contacting Council



**Figure 47**  
Support Services Performance Measures  
Comparison of number of performance measures met over three years



PART 5:  
FINANCIAL STATEMENTS

DRAFT

# INTRODUCTION

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

The Statement of Comprehensive Revenue and Expense summarises all revenue received including that from rates, the significant activities and Council's associates and joint ventures.

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

Comprehensive revenue and expense 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. Therefore, it also includes such items as revaluations of property, plant and equipment.

## BALANCED BUDGET STATEMENT OF FINANCIAL PERFORMANCE

Council is required under the provisions of the LGA 2002 (s.101) to manage its revenues, expenses, assets, liabilities, investments and general dealings prudently and in a manner that promotes the current and future interests of its community. The LGA 2002 (s.100) requires that local authorities "balance the books". This means Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses (breakeven).

## STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position shows the assets and liabilities of the Tasman District Council.

## STATEMENT OF CASHFLOWS

The Statement of Cashflows summarises the cashflows for the year ended 30 June 2018.

## STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity provides a breakdown of the movements in total equity.

## COUNCIL FUNDING IMPACT STATEMENT

The Council Funding Impact Statement provides a breakdown of the net cost of services for significant groups of activities of the Council.

## INDIVIDUAL FUNDING IMPACT STATEMENTS

The individual Funding Impact Statements of Council's significant activities record Council's objectives, and achievements for the year ended 30 June 2018, together with the costs associated with the provision of each service.

## RELATIONSHIP TO THE LONG TERM PLAN 2015-2025 (LTP)

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

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The Financial Statements should be read in conjunction with the "Notes to the Financial Statements".



# STATEMENT OF ACCOUNTING POLICIES

## REPORTING ENTITY

Tasman District Council (TDC) is a unitary local authority governed by the Local Government Act 2002 (LGA) and the Local Government (Rating) Act 2002. It is domiciled and operates in New Zealand.

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of Council are for the year ended 30 June 2018. The financial statements were authorised for issue by Council on xxx.

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

The financial statements of Council have been prepared in accordance with the requirements of the LGA which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These financial statements comply with PBE Standards.

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

## 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.

## 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 in its Annual Plan 2017/2018 unless shown otherwise. 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.

## FUNDING IMPACT STATEMENTS

The Funding Impact Statements ("FIS") have been prepared in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. This is a reporting requirement unique to Local Government and the disclosures contained within and the presentation of these statements is not prepared in accordance with generally accepted accounting practices ("GAAP").

The purpose of these statements is to report the net cost of services for significant groups of activities ("GOA") of the Council, and are represented by the revenue that can be allocated to these activities less the costs of providing the service. They contain all funding sources for these activities and all applications of this funding by these activities. The GOA FIS include internal transactions between activities such as internal overheads and charges applied, and or recovered. A FIS is also prepared at the whole of Council level summarising the transactions contained within the GOA FIS, eliminating internal transactions and adding in other transactions not reported in the GOA statements.

These statements are based on cash transactions prepared on an accrual basis and as such do not include non-cash/accounting transactions that are included within the Comprehensive Revenue and Expense Statement as required under GAAP. These items include, but are not limited to, Council's depreciation, gain and/or losses on revaluation and vested assets.

They also depart from GAAP as funding sources are disclosed within the FIS as being either for operational or capital purposes. Revenue such as subsidies received for capital projects, development and financial contributions and gains on sale of assets are recorded as capital funding sources. Under GAAP these are treated as revenue in the Comprehensive Revenue and Expense Statement.

## 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 PBE IPSAS 19 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

Infrastructural asset valuations are carried out on a three-yearly cycle, on a depreciated replacement cost basis. The carrying values of revalued items are reviewed at each balance date to ensure that these values are not materially different to fair value. The most recent revaluation was performed as at 31 March 2017. Where materially different, Council will revalue at an earlier point. There are a number of assumptions and estimates used when performing depreciated replacement cost basis valuations over Infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Valuations are carried out by the Council management and reviewed by independent qualified valuers.

### OPERATIONAL ASSETS

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings. 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. The most recent valuation was performed by GR Butterworth SPINZ, ANZIV of QV Valuations Limited, and the valuation is effective as at 30 June 2018.

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 2018.

## **CRITICAL JUDGEMENT IN APPLYING COUNCIL'S ACCOUNTING POLICIES**

Management have exercised the following critical judgement in applying the Council's accounting policies.

### **CLASSIFICATION OF PROPERTY**

Council owns a number of properties which are maintained primarily to provide community housing. The receipt of lower than 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.

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# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 June 2018

Actual 2017 \$000		Notes	Actual 2018 \$000	Budget 2018 \$000
<b>REVENUE</b>				
35,686	General rates	2	37,397	37,210
29,523	Targeted rates (other than for water supply)	2	29,069	29,017
4,013	Targeted rates for a water supply	2	4,262	4,070
5,104	Development and financial contributions		8,347	5,427
3,568	Operating subsidies and grants	4	9,794	3,686
4,021	Capital subsidies and grants	4	4,291	3,764
15,304	Fees and charges	5	15,270	13,536
14,897	Other revenue	3	21,853	14,223
9,167	Fair value movement on revaluation	3	4,480	797
97	Other gains	3	385	75
338	Finance income	8	540	484
2,605	Revenue of joint ventures	21	5,533	7,792
7,520	Share of associates surplus/deficit	20	8,687	0
<b>131,843</b>	<b>Total revenue</b>	<b>1</b>	<b>149,908</b>	<b>120,081</b>
<b>EXPENSE</b>				
7,060	Finance expense	8	7,502	8,301
20,243	Employee related expense	6	22,043	22,989
24,122	Other expenses	7	33,048	29,029
21,879	Maintenance	7	33,486	21,547
22,705	Depreciation and amortisation	17	23,691	24,349
2,968	Expenditure of joint ventures	21	6,448	4,698
<b>98,977</b>	<b>Total expense</b>	<b>1</b>	<b>126,218</b>	<b>110,913</b>
<b>32,866</b>	<b>Surplus/(deficit) before taxation</b>		<b>23,690</b>	<b>9,168</b>
0	Income tax expense	9	0	0
<b>32,866</b>	<b>Surplus/(deficit) after tax</b>		<b>23,690</b>	<b>9,168</b>
<b>OTHER COMPREHENSIVE REVENUE</b>				
45,211	Gain on asset revaluations	26	31,002	39,676
0	Deferred tax on asset revaluations	9	0	0
820	Movement in NZLG shares value	26	1,209	0
340	Asset impairment Loss	15,26	(1,090)	0
9,253	Share of associate other comprehensive income	20,26	5,157	0
<b>55,624</b>	<b>Total other comprehensive revenue and expense</b>		<b>36,278</b>	<b>39,676</b>
<b>88,490</b>	<b>Total comprehensive revenue and expense</b>		<b>59,968</b>	<b>48,844</b>

The table shows surplus before other comprehensive income of \$23.7 million (2017: \$32.9 million) compared with a budgeted accounting surplus of \$9.2 million (2017:\$6.8 million). This equates to a surplus or favourable variance of \$14.5 million, and includes such items as; development contributions, vested assets, interest rate swap valuations, share of associates income and movement in the forestry revaluation. Variances are explained in note 36.

Reclassification resulted in a \$480,000 decrease to the 'Actual 2017' revenue and expense figures, compared to the audited 2017 financial statements. The impact on net assets is nil, detailed in note 42.

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.

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# STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

Actual 2017 \$000		Notes	Actual 2018 \$000	Budget 2018 \$000
<b>CURRENT ASSETS</b>				
2,243	Cash and cash equivalents	10	1,293	7,987
13,377	Trade and other receivables	11	22,334	14,030
1,833	Other financial assets	13	11,700	1,521
560	Non-current assets held for resale	14	0	770
<b>18,013</b>	<b>Total current assets</b>		<b>35,327</b>	<b>24,308</b>
<b>CURRENT LIABILITIES</b>				
13,098	Trade and other payables	22	21,010	16,143
1,893	Employee benefit liabilities	24	1,987	2,028
16,228	Current portion of borrowings	25	49,003	12,978
818	Current portion of derivative financial instruments	12	90	0
<b>32,037</b>	<b>Total current liabilities</b>		<b>72,090</b>	<b>31,149</b>
<b>(14,024)</b>	<b>Working capital</b>		<b>(36,763)</b>	<b>(6,841)</b>
<b>NON CURRENT ASSETS</b>				
123,310	Investments in associates	20	134,405	109,933
6,453	Other financial assets	13	7,939	10,851
1,398	Intangible assets	16	2,232	953
801	Trade & other receivables	11	2,055	0
35,461	Forestry assets	18	41,220	34,298
4,700	Investment property	19	5,130	4,620
1,360,810	Property, plant and equipment	15	1,419,238	1,391,605
<b>1,532,933</b>	<b>Total non-current assets</b>		<b>1,612,219</b>	<b>1,552,260</b>
<b>NON CURRENT LIABILITIES</b>				
110,003	Term borrowings	25	104,500	155,244
10,648	Derivative financial instruments	12	12,611	20,071
470	Employee benefit liabilities	24	480	592
1,783	Provisions	23	1,889	3,093
<b>122,904</b>	<b>Total noncurrent liabilities</b>		<b>119,480</b>	<b>179,000</b>
<b>1,396,005</b>	<b>Total net assets</b>		<b>1,455,976</b>	<b>1,366,419</b>
<b>EQUITY</b>				
586,746	Accumulated equity	27	612,278	580,862
18,100	Restricted reserves	28	20,366	10,251
791,159	Revaluation reserves	26	823,332	775,306

**1,396,005 Total equity**

**1,455,976 1,366,419**

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.

Reclassification resulted in a \$57,000 increase to the 'Actual 2017' assets and liabilities figures, compared to the audited 2017 financial statements. The impact on net assets is nil, detailed in note 42.

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# STATEMENT OF CASHFLOWS

As at 30 June 2018

*[To be inserted]*

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

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# STATEMENT OF CHANGES IN EQUITY

As at 30 June 2018

Actual 2017 \$000	Notes	Actual 2018 \$000	Budget 2018 \$000
<b>1,307,515</b>	<b>Equity at start of year</b>	<b>1,396,005</b>	<b>1,329,006</b>
88,490	Total comprehensive revenue and expense	59,968	39,676
<b>1,396,005</b>	<b>Total equity</b>	<b>1,455,973</b>	<b>1,368,742</b>

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

# COUNCIL FUNDING IMPACT STATEMENT

As at 30 June 2018

*To be updated*

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

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PART 6:  
NOTES TO FINANCIAL STATEMENTS

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Tasman District Council's notes to the Financial Statements for the year ending 30 June 2018.

NOTE 1: SUMMARY OF REVENUE AND EXPENDITURE FOR GROUPS OF ACTIVITIES

2016/17		2017/18
\$(000's)	INCOME	\$(000's)
9,770	Environmental Management	10,026
5,647	Public Health and Safety	6,371
19,230	Transportation, Roads and Footpaths	26,514
552	Coastal Structures	525
11,003	Water	11,952
14,795	Wastewater	15,432
5,927	Stormwater	6,967
7,491	Solid Waste	11,476
3,290	Flood Protection and River Control Works	2,797
2,621	Community Relations	2,739
16,301	Community Facilities and Parks	16,655
9,666	Council Enterprises	15,590
3,407	Governance	3,506
22,142	Overhead activities including Treasury, joint ventures and associates	19,359
<b>131,843</b>	<b>Total Revenue</b>	<b>149,908</b>

2016/17		2017/18
\$(000's)	EXPENSE	\$(000's)
9,504	Environmental Management	10,608
6,194	Public Health and Safety	6,689
20,512	Transportation, Roads and Footpaths	30,676
419	Coastal Structures	460
10,801	Water	12,789
11,689	Wastewater	12,078
3,744	Stormwater	4,192
6,886	Solid Waste	13,090
2,466	Flood Protection and River Control Works	3,834
2,567	Community Relations	2,756
15,504	Community Facilities and Parks	16,607
5,567	Council Enterprises	6,570
2,931	Governance	3,027
193	Overhead activities including Treasury, joint ventures and associates	2,842
<b>98,977</b>	<b>Total Expenses</b>	<b>126,218</b>

## NOTE 2: RATES

### RATES RECOGNITION

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

The following particular policies apply:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Water billing revenue is recognised on an accrual basis with unread meters at year end accrued on an average usage basis.

2016/17 \$(000's)	RATES	2017/18 \$(000's)
35,686	<b>Total General Rates</b>	37,397
	<b>Targeted rates attributable to activities</b>	
204	Environmental Management	192
-	Transportation, Roads & Footpaths	-
102	Coastal Structures	96
8,550	Water Supply	8,905
10,362	Wastewater	10,259
4,474	Stormwater	4,466
2,284	Solid Waste	2,391
2,723	Flood Protection and River Control Works	2,276
3,338	Community Facilities & Parks	3,248
1,202	Community Relations	1,197
295	Governance	301
<b>33,536</b>	<b>Total targeted rates attributable to activities</b>	<b>33,331</b>
<b>69,220</b>	<b>Total rates</b>	<b>70,728</b>

Included in targeted rates attributable to water supply is income received or to be received from targeted rates for metered water supply of \$7,043,000 (2017: \$6,691,000).

The Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That Deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 together with any revenue received by the Council from other local authorities for services provided by that Council for which those other Local Authorities rate.

The annual rates revenue of the Council for the year ended 30 June 2018 and 30 June 2017 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is shown below:

2016/17		2017/18
\$(000's)	RATES (CONT.)	\$(000's)
69,220	Rates	70,728
-	Lump sum contributions	-
<b>69,220</b>		<b>70,728</b>

Rates revenue is shown net of rates remissions. The rates remission policy allows Council to remit rates when certain conditions and criteria are met. Some examples of situations where rates may be remitted include when land has been detrimentally affected by natural disaster, on properties with a rating valuation up to \$4,500, and on land used for sporting, recreation or community services 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 Councils rates remission policy.

2016/17		2017/18
\$(000's)	RATES (CONT.)	\$(000's)
69,495	Total rates revenue	71,018
(275)	Rates remissions	(290)
<b>69,220</b>	<b>Rates revenue net of remissions</b>	<b>70,728</b>

A rating revaluation occurs every three years. They are prepared on behalf of the Tasman District Council by Quotable Value (QV). The entire process is independently audited by the Office of the Valuer General. The effective date for the current revaluation is 1 September 2017. These valuations, along with other factors will be used by Council as the basis for distributing individual rates obligations for the three financial years, starting from 1 July 2018.

### NOTE 3: OTHER REVENUE

Revenue is recognised on an accrual basis and is measured at the fair value of consideration received or receivable. The following particular policies apply:

- Development contributions and reserve 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. The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided from the most recent revaluation.
- Infringements are recognised when the fine is issued.

2016/17 \$(000's)	OTHER REVENUE	2017/18 \$(000's)
271	Rental revenue from investment properties	246
197	Infringements & fines	193
390	Petrol tax	394
-	Bad debts recovered	-
104	Dividend revenue	104
4,869	Forestry harvesting revenue	7,187
4,898	Vested assets	8,659
-	Insurance recoveries	-
4,168	Other	5,071
<b>14,897</b>		<b>21,853</b>

2016/17 \$(000's)	FAIR VALUE MOVEMENT ON REVALUATION	2017/18 \$(000's)
6,480	Unrealised gain/(loss) on interest rate derivatives	(1,235)
2,607	Gain on changes in fair value of forestry assets	5,759
80	Investment property revaluation movement	(44)
-	Property sales	-
<b>9,167</b>		<b>4,480</b>

2016/17 \$(000's)	OTHER GAINS	2017/18 \$(000's)
97	Gain on disposal of property plant and equipment	385
<b>97</b>		<b>385</b>

## NOTE 4: SUBSIDIES AND GRANTS

Revenue is recognised on an accrual basis and is measured at the fair value of consideration received or receivable. The following policies apply:

- 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.
- Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

2016/17		2017/18
\$(000's)	OPERATING SUBSIDIES AND GRANTS	\$(000's)
3,276	NZ Transport Agency roading subsidies	9,546
292	Other subsidies and grants	248
<b>3,568</b>		<b>9,794</b>

2016/17		2017/18
\$(000's)	CAPITAL SUBSIDIES AND GRANTS	\$(000's)
3,248	NZ Transport Agency roading subsidies	3,916
773	Other subsidies and grants	375
<b>4,021</b>		<b>4,291</b>

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

## NOTE 5: FEES AND CHARGES

Revenue is recognised on an accrual basis and is measured at the fair value of consideration received or receivable. The following particular policies apply:

- Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

2016/17		2017/18
\$(000's)	FEES AND CHARGES	\$(000's)
4,472	Building, resource consent, public health and liquor licensing charges	4,870
4,629	Landfill/resource recovery centre charges	4,187
3,444	Sales	3,483
707	Sundry fees and recoveries	509
2,052	Other fees and charges	2,221
<b>15,304</b>		<b>15,270</b>



## NOTE 6: EMPLOYEE BENEFIT EXPENSES

2016/17 \$(000's)	EMPLOYEE RELATED EXPENSE	2017/18 \$(000's)
19,375	Salary and wages	21,127
793	Kiwisaver/superannuation schemes employer contributions	864
75	Increase/(decrease) in employee benefit liabilities	52
<b>20,243</b>		<b>22,043</b>

## NOTE 7: OTHER EXPENSES

### 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.

### 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.

2016/17 \$(000's)	OTHER EXPENSES	2017/18 \$(000's)
254	Impairment and bad debt write offs	1,492
(562)	Movement in bad debts provision	198
156	Audit fees - annual reporting	124
-	Audit fees – long term plan	86
9	Donations	15
167	Minimum lease payments under operating leases	139
5,572	Consultants	6,429
1,064	Electricity	1,110
1,228	Grants Paid	1,493
1,136	Legal Fees	1,279
1,451	Levies Paid	1,085
1,145	Projects	2,066
1,559	Rates & Water	1,567
10,943	Other Operating Expenses	15,965
<b>24,122</b>		<b>33,048</b>

2016/17 \$(000's)	MAINTENANCE	2017/18 \$(000's)
19,362	Operational Maintenance	31,348
2,517	Other Maintenance	2,138
<b>21,879</b>		<b>33,486</b>

Bad debt write off includes \$1.4 million of income related to a flood in 2010 which Council had previously accrued as revenue. In the year ended 30 June 2018 it was confirmed that Council would not be reimbursed for the flood damage and therefore has been written off.

## NOTE 8: FINANCE COSTS AND FINANCE

Interest revenue is recognised using the effective interest method

2016/17		2017/18
\$(000's)	FINANCE EXPENSE	\$(000's)
	<b>Interest expense</b>	
6,959	Interest on borrowings	7,511
2	Interest on finance leases	2
98	Provisions: discount unwinding	(11)
<b>7,059</b>	<b>Total finance costs</b>	<b>7,502</b>

2016/17		2017/18
\$(000's)	FINANCE INCOME	\$(000's)
	<b>Interest Revenue</b>	
287	Interest on bank deposits	481
30	Interest on related party loans	41
22	Interest on community loans	18
<b>338</b>	<b>Total finance revenue</b>	<b>540</b>

## NOTE 9: TAX

Council is exempt from income tax except in relation to distributions from its CCO's, and its port operations.

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 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 transactions recognised in other comprehensive revenue and expense or directly in equity.

[disclosure table to be inserted]

A deferred tax asset has not been recognised in relation to tax losses of **\$10,918,017** (2017: \$10,918,017).

## NOTE 10: 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.

2016/17		2017/18
\$(000's)	CASH AND CASH EQUIVALENTS	\$(000's)
2,243	Cash at bank and in hand	1,293
-	Short term deposits maturing three months or less from date of acquisition	-
<b>2,243</b>	<b>Total cash and cash equivalents</b>	<b>1,293</b>
Disclosed as:		
2,243	Cash and Cash Equivalents	1,293
-	Bank overdrafts	-
<b>2,243</b>		<b>1,293</b>

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

## NOTE 11: TRADE AND OTHER RECEIVABLES

Receivables are recorded at their face value, less any provision for impairment.

2016/17		2017/18
\$(000's)	TRADE AND OTHER RECEIVABLES	\$(000's)
1,275	Rates receivables	1,172
13,038	Other receivables	23,469
176	Prepayments	257
<b>14,489</b>		<b>24,897</b>
(311)	Less provision for doubtful debts	(509)
<b>14,178</b>		<b>24,389</b>
Comprising		
13,377	Current portion	22,334
801	Non-Current	2,055
<b>14,178</b>	<b>Total Trade &amp; Other Receivables</b>	<b>24,389</b>

The carrying amount of trade and other receivables approximates their fair value. There is no concentration of credit risk with respect to receivables.

Council 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 impairment provision has been calculated based on a review of specific overdue receivables. There has been no collective impairment based on an analysis of past collection history and debt write-offs. The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

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

2016/17		2017/18
\$(000's)		\$(000's)
(961)	At 1 July	(311)
(69)	Additional provisions made during the year	(329)
719	Written off during period	56
	Provisions reversed in year	75
<b>(311)</b>	<b>At 30 June</b>	<b>(509)</b>

The status of other receivables as at 30 June 2018 and 2017 are detailed as below:

	2018		
	Gross	Impairment	Net
Current and non-current	\$(000's)	\$(000's)	\$(000's)
< 30 days	17,544	-	17,544
30-60 days	1,134	-	1,134
61-90 days	335	-	335
90+days	3,854	(509)	3,345
<b>Total receivables</b>	<b>22,867</b>	<b>(509)</b>	<b>22,358</b>

	2017		
	Gross	Impairment	Net
Current and non-current	\$(000's)	\$(000's)	\$(000's)
Current	10,679	-	10,679
30-60 days	734	-	734
61-90 days	86	-	86
90+days	1,540	(311)	1,229
<b>Total receivables</b>	<b>13,039</b>	<b>(311)</b>	<b>12,728</b>

## NOTE 12: DERIVATIVE FINANCIAL INSTRUMENTS

### 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 re-measured 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.

2016/17		2017/18
\$(000's)	DERIVATIVE FINANCIAL INSTRUMENTS	\$(000's)
11,465	Interest Rate Swaps	12,701
<b>11,465</b>	<b>Total derivative financial instruments</b>	<b>12,701</b>
<b>Comprising</b>		
818	Current portion	90
10,648	Non-Current	12,611
<b>11,465</b>	<b>Total derivative financial instruments liability</b>	<b>12,701</b>

### FAIR VALUE

The fair values of interest rate swaps have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves.

### INTEREST RATE SWAPS

The notional principal amounts of the outstanding interest rate swap contracts for the Council at 30 June 2018 were \$209.05 million of which \$122.05 million is 'live' at balance date (2017: \$224.78 million of which \$140.78 million is 'live' at balance date). At 30 June 2018, the fixed interest rates of cash flow hedge interest rate swaps vary from 2.76% to 5.53% (2017: 2.95% to 5.53%).

### SENSITIVITY ANALYSIS

Council's interest rate swaps are sensitive to market movements. With all other variables held constant, based on Council's financial instrument exposures at balance date, a movement in interest rates of plus or minus 1% has an effect on the swap value of plus \$7.4 million or minus \$8.1 million.

## NOTE 13: FINANCIAL ASSETS

Council classifies its financial assets into the following four categories: financial assets at fair value through surplus or deficit, held-to-maturity investments, loans and receivables and financial assets at fair value through comprehensive revenue and expense. The classification depends on the purpose for which the investments were acquired.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit 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 include financial assets held for trading**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement 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. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

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 Council 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 disaster fund and short term deposits in this category.

- **Financial assets at fair value through comprehensive revenue and expense**

Financial assets at fair value through comprehensive revenue and expense are those that are designated as fair value through comprehensive revenue and expense 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 revenue and expense except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive revenue and expense will be removed from equity and recognised in surplus or deficit even though the asset has not been de-recognised.

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

## IMPAIRMENT OF FINANCIAL ASSETS

At each balance 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. 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).

### Financial assets at fair value through other comprehensive revenue and expense

For equity investments classified as fair value through comprehensive revenue and expense, 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 comprehensive revenue and expense, 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) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit. Impairment losses recognised in the surplus or deficit on equity investments are not reversed through the surplus or deficit.

2016/17 \$(000's)	OTHER FINANCIAL ASSETS	2017/18 \$(000's)
	<b>Current Portion</b>	
	<i>Loans and receivables</i>	
194	Current portion of community loans	(19)
100	Current portion of related party loans	100
	<i>Fair value through comprehensive revenue and expense</i>	
304	Borrower Notes - NZ LG Funding Agency	384
	<i>Held to maturity</i>	
1,200	Disaster funds	1,200
-	Other short term deposits with maturities of 4-12 months	10,000
35	Monies administered for organisations	35
<b>1,833</b>	<b>Total Current Portion</b>	<b>11,700</b>
	<b>Non-current portion</b>	
	<i>Loans and receivables</i>	
74	Community Loans	234
483	Loans to Related Parties	424
	<i>Fair value through comprehensive revenue and expense</i>	
100	Unlisted shares - Civic Financial Services Ltd	101
4,472	Unlisted shares - NZ LG Funding Agency	5,681
1,324	Borrower Notes - NZ LG Funding Agency	1,499
	<i>Held to maturity</i>	
-	Monies administered for organisations	-
<b>6,453</b>		<b>7,939</b>

Council holds a cash bond of \$35,000 (2017: \$35,000) that is subject to restrictions.

Due to the immaterial size and nature of Council's investments, the fair value of the unlisted shares in the New Zealand Local Government Insurance Corporation Limited and the New Zealand Local Government Funding Agency have been determined by calculating Tasman District Council's share of total equity based on shares held. The fair value of the borrower notes have been determined based on cost.

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 \$1,200,000 (2017: \$1,200,000).

The loan to related parties is at a nil interest rate (2017: Nil). The fair value of the loan has been determined using cashflows discounted at 5.00% (2017: 5.35%).

Interest rates receivable on community loans range from 5.25% to 9%, with an average rate of 7.15% (2017: 5.25% to 9%, with an average rate of 7.15%).

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## NOTE 14: NON-CURRENT ASSETS (PROPERTY) 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.

2016/17		2017/18
\$(000's)	PROPERTY HELD FOR RESALE	\$(000's)
310	Buildings	-
250	Land	-
-	Plant	-
<b>560</b>		<b>-</b>

As at 30 June 2017 Council-owned property on Fittal Street has been presented as held for sale following the approval by the Council to sell the premises. The sale completed in the 2017/2018 financial year.

As at 30 June 2017 Council-owned land on Slippery Road has also been presented as held for sale following the approval by the Council to sell the land. The sale completed in the 2017/2018 financial year.

## NOTE 15: PROPERTY, PLANT AND EQUIPMENT

### PROPERTY, PLANT AND EQUIPMENT

- **Operational assets** – These include land, buildings, computers and office equipment, building improvements, library books, plant, equipment, wharves and motor vehicles.
- **Restricted assets** – Assets owned or vested in Council which cannot easily 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, e.g. 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. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the 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. Vested assets are recognised as revenue when control over the asset is obtained.

- **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                 | 2 – 10 years    |

#### Infrastructure Assets

- |                            |                 |
|----------------------------|-----------------|
| • Bridges                  | 100 years       |
| • Roads                    | 4 – 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 revenue and expenses 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 revenue and expenses 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 revenue and expenses.

## INFRASTRUCTURAL ASSET CLASSES: ROADS AND BRIDGES, WASTEWATER, SOLID WASTE, WATER SUPPLY, STORMWATER, COASTAL STRUCTURES, PORTS, AND RIVER PROTECTION ASSETS

Roads and bridges, wastewater, solid waste, water supply, stormwater, coastal structures, ports, 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 revenue and expense. 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 Opus International Consultants Limited as at 31 March 2017.

**Wastewater, solid waste, water supply, stormwater, coastal assets, and river protection assets** have been valued at optimised depreciated replacement cost by in-house specialists as at 31 March 2017. 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 in-house specialists as at 31 March 2017. These in-house valuations have been peer reviewed by Opus International Consultants Limited.

**Ports** – A new asset category for Port assets has been created in the 2014/2015 year. Council considered that it was appropriate to distinguish the commercial port assets from other coastal structures. These have been valued at optimised depreciated replacement cost by Jones Lang Lasalle IP, Inc. of Auckland as at 30 June 2016. The Port assets were not revalued during the previous three yearly cycle in order for the specialist valuation to be undertaken.

**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 & Cooke Ltd, registered valuers, as at 30 June 1999. During the 2002 income year Council ceased further revaluations and adopted deemed cost.

**Airfields** – Airfield assets were valued for inclusion in Council's financial statement at optimised depreciated replacement cost by in-house specialists as at 31 March 2017. The in-house valuations has been peer reviewed by Opus International Consultants Limited.

**Library books** – This asset is recorded at the latest valuation conducted by Duke & Cooke Ltd, registered valuers, as at 30 June 1999. During the 2002 income year Council ceased further revaluations and adopted deemed cost. Donated books are assigned a value based on current replacement cost, less an allowance for age and condition. Additions are valued at cost less depreciation. Library books are depreciated on a straight-line basis over the following estimated life:

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

**Furniture and fittings** – Furniture and fittings were recorded at valuation. The latest valuation was conducted by Duke & 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 (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 2018 with the exception of infrastructural land which was revalued at 31 March 2017.

**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. The most recent valuation was performed by GR Butterworth SPINZ, ANZIV of QV Valuations Limited, and the valuation is effective as at 30 June 2018.

**Heritage assets** – Heritage assets comprise Council assets that are subject to a 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.

#### **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.

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as 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 other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. 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, the reversal of an impairment loss is recognised in the surplus or deficit.

#### *Value in use for non-cash-generating assets*

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### *Value in use for cash-generating assets*

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Note 15: Property, Plant and equipment (Cont.)

2017 / 2018	Cost / Revaluation								Depreciation				Net Book Value	
	Cost / Revaluation	Current Year Additions	Current Year Vested Assets	Current Year Disposal	Current Year Impairment	Revaluation Surplus	Reval depn write back	Cost / Revaluation	Acc Depn & Impairment	Current Year Depreciation	Write back Depn on reval and disposal	Acc Depn & Impairment	*NBV	*NBV
	01 July 2017							30 June 2018	01 July 2017			30 June 2018	01 July 2017	30 June 2018
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
<b>Fixed Assets</b>														
Land	121,626	1,759	751	(432)	-	15,380		139,083	-	-	-	-	121,626	139,083
Buildings	75,327	1,707	15	(250)	-	14,643	(8,202)	83,241	(4,047)	(4,178)	8,214	(11)	71,280	83,230
Furniture and Fittings	3,823	176	-	-	-	-		3,999	(3,358)	(186)	-	(3,544)	465	455
Motor Vehicles	4,738	311	-	(555)	-	-		4,494	(3,976)	(296)	503	(3,769)	762	725
Plant	3,754	401	-	(134)	-	6	(17)	4,009	(2,241)	(221)	51	(2,411)	1,513	1,598
Office Equipment	7,716	675	-	-	-	-		8,391	(6,679)	(620)	-	(7,299)	1,037	1,092
Library Books	6,983	293	-	-	-	-		7,276	(5,814)	(286)	-	(6,100)	1,169	1,175
Heritage Assets	1,843	-	-	-	-	-		1,843	(526)	(31)	-	(557)	1,317	1,286
Finance Lease	71	-	-	-	-	-		71	(66)	(3)	-	(69)	5	2
	<b>225,881</b>	<b>5,321</b>	<b>766</b>	<b>(1,371)</b>	<b>-</b>	<b>30,029</b>	<b>(8,219)</b>	<b>252,407</b>	<b>(26,707)</b>	<b>(5,822)</b>	<b>8,769</b>	<b>(23,760)</b>	<b>199,174</b>	<b>228,647</b>
<b>Infrastructural Assets</b>														
Roading	546,580	10,511	2,606	-	-	-	-	559,697	(2,111)	(8,484)	-	(10,595)	544,469	549,102
Bridges	82,175	504	-	-	-	-	-	82,679	(379)	(1,533)	-	(1,912)	81,796	80,767
Land Under Roads	69,038	330	665	-	-	-	-	70,033	-	-	-	-	69,038	70,033
Stormwater	122,759	8,262	2,086	-	-	-	-	133,107	(346)	(1,409)	-	(1,755)	122,413	131,353
Wastewater	144,730	6,133	1,347	-	-	944	(959)	152,196	(669)	(3,678)	959	(3,389)	144,061	148,807
Refuse	10,009	3,848	-	(850)	(1,090)	29	(99)	11,846	(85)	(462)	99	(448)	9,924	11,398
Water	107,526	9,064	1,189	-	-	-	-	117,779	(759)	(3,138)	-	(3,897)	106,767	113,882
Rivers	72,520	1,366	-	-	-	-	-	73,886	(9)	(38)	-	(47)	72,511	73,839
Coastal structures	5,382	-	-	-	-	-	-	5,382	(47)	-	-	(47)	5,335	5,335
Ports	4,231	1,004	-	-	-	-	-	5,235	(87)	(195)	-	(282)	4,144	4,954
Aerodromes	1,193	4	-	-	-	-	-	1,197	(15)	(61)	-	(76)	1,178	1,121
	<b>1,166,143</b>	<b>41,027</b>	<b>7,894</b>	<b>(850)</b>	<b>(1,090)</b>	<b>973</b>	<b>(1,058)</b>	<b>1,213,039</b>	<b>(4,507)</b>	<b>(18,999)</b>	<b>1,058</b>	<b>(22,447)</b>	<b>1,161,636</b>	<b>1,190,591</b>
<b>Total</b>														
<b>Fixed Assets</b>	<b>225,881</b>	<b>5,321</b>	<b>766</b>	<b>(1,371)</b>	<b>-</b>	<b>30,029</b>	<b>(8,219)</b>	<b>252,407</b>	<b>(26,707)</b>	<b>(5,822)</b>	<b>8,769</b>	<b>(23,760)</b>	<b>199,174</b>	<b>228,647</b>
<b>Infrastructure Assets</b>	<b>1,166,143</b>	<b>41,027</b>	<b>7,894</b>	<b>(850)</b>	<b>(1,090)</b>	<b>973</b>	<b>(1,058)</b>	<b>1,213,039</b>	<b>(4,507)</b>	<b>(18,999)</b>	<b>1,058</b>	<b>(22,447)</b>	<b>1,161,636</b>	<b>1,190,591</b>
	<b>1,392,024</b>	<b>46,348</b>	<b>8,659</b>	<b>(2,221)</b>	<b>(1,090)</b>	<b>31,002</b>	<b>(9,277)</b>	<b>1,465,446</b>	<b>(31,214)</b>	<b>(24,820)</b>	<b>9,827</b>	<b>(46,207)</b>	<b>1,360,810</b>	<b>1,419,238</b>

PART6 – NOTES TO FINANCIAL STATEMENTS

Note 15: Property, Plant and equipment (Cont)

2016/17	Cost / Revaluation								Depreciation				Net Book Value	
	Cost / Revaluation	Current Year Additions	Current Year Vested Assets	Current Year Disposal	Current Year Impairment	Revaluation Surplus	Reval depr write back	Cost / Revaluation	Acc Depn & Impairment	Current Year Depreciation	Current Year Disposal Depn/ Reval write back	Acc Depn & Impairment	*NBV	*NBV
	01 July 2016							30 June 2017	01 July 2016			30 June 2017	01 July 2016	30 June 2017
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
<b>Fixed Assets</b>														
Land	120,409	953	63	(31)	-	232	-	121,626	-	-	-	-	120,409	121,626
Buildings	69,521	5,420	-	-	332	54	-	75,327	-	(4,055)	8	(4,047)	69,521	71,280
Furniture and Fittings	3,680	143	-	-	-	-	-	3,823	(3,197)	(161)	-	(3,358)	483	465
Motor Vehicles	4,482	328	-	(72)	-	-	-	4,738	(3,652)	(324)	-	(3,976)	830	762
Plant	3,221	541	-	(45)	-	37	-	3,754	(2,051)	(207)	17	(2,241)	1,170	1,513
Office Equipment	6,914	802	-	-	-	-	-	7,716	(6,063)	(616)	-	(6,679)	851	1,037
Library Books	6,711	272	-	-	-	-	-	6,983	(5,508)	(306)	-	(5,814)	1,203	1,169
Heritage Assets	1,843	-	-	-	-	-	-	1,843	(495)	(31)	-	(526)	1,348	1,317
Finance Lease	71	-	-	-	-	-	-	71	(63)	(3)	-	(66)	8	5
<b>Total fixed assets</b>	<b>216,852</b>	<b>8,459</b>	<b>63</b>	<b>(148)</b>	<b>332</b>	<b>323</b>	<b>-</b>	<b>225,881</b>	<b>(21,029)</b>	<b>(5,703)</b>	<b>25</b>	<b>(26,707)</b>	<b>195,823</b>	<b>199,174</b>
<b>Infrastructural Assets</b>														
Roading	531,306	7,891	1,534	-	-	22,005	(16,156)	546,580	(10,007)	(8,260)	16,156	(2,111)	521,299	544,469
Bridges	69,608	392	-	-	-	15,076	(2,901)	82,175	(1,805)	(1,475)	2,901	(379)	67,803	81,796
Land Under Roads	68,468	212	358	-	-	-	-	69,038	-	-	-	-	68,468	69,038
Stormwater	122,249	3,214	1,394	-	-	(1,455)	(2,643)	122,759	(1,637)	(1,352)	2,643	(346)	120,612	122,413
Wastewater	142,900	5,146	677	-	-	2,437	(6,430)	144,730	(3,750)	(3,349)	6,430	(669)	139,150	144,061
Refuse	10,425	1,008	-	-	-	(750)	(674)	10,009	(416)	(343)	674	(85)	10,009	9,924
Water	110,316	5,472	871	-	-	(3,693)	(5,440)	107,526	(3,323)	(2,876)	5,440	(759)	106,993	106,767
Rivers	62,624	890	-	-	-	9,080	(74)	72,520	(46)	(37)	74	(9)	62,578	72,511
Coastal structures	4,294	7	-	-	-	1,778	(697)	5,382	(635)	(109)	697	(47)	3,659	5,335
Ports	4,209	22	-	-	-	-	-	4,231	-	(87)	-	(87)	4,209	4,144
Aerodromes	1,361	-	-	-	-	451	(619)	1,193	(577)	(57)	619	(15)	784	1,178
<b>Total Infrastructure</b>	<b>1,127,760</b>	<b>24,254</b>	<b>4,834</b>	<b>-</b>	<b>-</b>	<b>44,929</b>	<b>(35,634)</b>	<b>1,166,143</b>	<b>(22,196)</b>	<b>(17,945)</b>	<b>35,634</b>	<b>(4,507)</b>	<b>1,105,564</b>	<b>1,161,636</b>
<b>Total</b>	<b>1,344,612</b>	<b>32,713</b>	<b>4,897</b>	<b>(148)</b>	<b>332</b>	<b>45,252</b>	<b>(35,634)</b>	<b>1,392,024</b>	<b>(43,225)</b>	<b>(23,648)</b>	<b>35,659</b>	<b>(31,214)</b>	<b>1,301,387</b>	<b>1,360,810</b>

**NOTE 15: PROPERTY, PLANT AND EQUIPMENT (CONT)**

<b>Core Assets</b>	<b>Closing Book Value at 30 June 2018</b>	<b>Assets Constructed for the Year Ending 30 June 2018</b>	<b>Assets Transferred for the Year Ending 30 June 2018</b>	<b>Replacement Costs as at 30 June 2018</b>
<b>\$(000's)</b>				
Treatment Plants	3,027	950	-	4,205
Reticulation	110,855	8,113	1,189	180,090
<b>Water Supply</b>	<b>113,882</b>	<b>9,064</b>	<b>1,189</b>	<b>184,295</b>
Treatment Plants			-	7,104
Reticulation	148,166	5,477	-	165,602
<b>Wastewater</b>	<b>148,166</b>	<b>5,477</b>	<b>-</b>	<b>172,706</b>
<b>Stormwater</b>	<b>131,353</b>	<b>8,262</b>	<b>1,347</b>	<b>166,318</b>
<b>Flood Protection and control works</b>	<b>73,839</b>	<b>1,366</b>	<b>-</b>	<b>74,996</b>
<b>Transportation, roads and footpaths</b>	<b>630,157</b>	<b>11,303</b>	<b>2,086</b>	<b>832,467</b>

<b>Core Assets</b>	<b>Closing Book Value at 30 June 2017</b>	<b>Assets Constructed for the Year Ending 30 June 2017</b>	<b>Assets Transferred for the Year Ending 30 June 2017</b>	<b>Replacement Costs as at 30 June 2017</b>
<b>\$(000's)</b>				
Treatment Plants	3,092	-	-	3,255
Reticulation	103,675	5,472	871	170,787
<b>Water Supply</b>	<b>106,767</b>	<b>5,472</b>	<b>871</b>	<b>174,042</b>
Treatment Plants	4,960	1,468	-	7,104
Reticulation	139,101	3,678	677	160,125
<b>Wastewater</b>	<b>144,061</b>	<b>5,146</b>	<b>677</b>	<b>167,229</b>
<b>Stormwater</b>	<b>122,413</b>	<b>3,214</b>	<b>1,394</b>	<b>156,708</b>
<b>Flood Protection and control works</b>	<b>72,511</b>	<b>890</b>	<b>-</b>	<b>73,630</b>
<b>Transportation, roads and footpaths</b>	<b>695,303</b>	<b>8,495</b>	<b>1,892</b>	<b>819,078</b>

**WORK IN PROGRESS**

INCLUDED IN NET BOOK VALUE IS WORK IN PROGRESS. THESE ASSETS HAVE NOT BEEN DEPRECIATED.

<b>Work in Progress</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>\$(000's)</b>	<b>\$(000's)</b>
Roading	807	295
Water	3,606	121
Stormwater	800	797
Wastewater	3,057	4,075
Buildings	0	2,753
Land (Waimea Dam)	0	2,753

**APPENDICES**



8,269 8,041

Work in Progress	2017/18 \$(000's)	2016/17 \$(000's)
Roading	807	295
Water	3,606	121
Stormwater	800	797
Wastewater	3,057	4,075
Buildings	-	2,753
Land	1,493	-
	<b>9,762</b>	<b>8,041</b>

#### NOTE 16: 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.

**Carbon credits** – Purchased carbon credits are recognised at cost on acquisition. They have an indefinite useful life and are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

**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 5 years, 20%

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

#### IMPAIRMENT

**Carbon credits** – The Council considers there is no impairment of carbon credits held as they are expected to be fully utilised in satisfying carbon obligations from its landfill operations. Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit as long as the Emissions Trading Scheme is in place.

2017/18	Computer Software \$(000's)	Carbon Credits \$(000's)	Total \$(000's)
<b>Cost</b>			
Cost at 1 July 2017	4,109	656	4,765
Additions	436	-	436
Disposals	-	(373)	(373)
<b>Cost at 30 June 2018</b>	<b>4,545</b>	<b>283</b>	<b>4,828</b>
Accumulated amortisation at 1 July 2017	(3,367)	-	(3,367)
Amortisation expense	(296)	-	(296)
Disposals	-	-	-
<b>Accumulated amortisation at 30 June 2018</b>	<b>(3,663)</b>	<b>-</b>	<b>(3,663)</b>
<b>Net book value at 30 June 2018</b>	<b>882</b>	<b>283</b>	<b>1,165</b>

#### APPENDICES

**2016/17****Cost**

Cost at 1 July 2016	3,757	313	4,070
Additions	352	380	732
Disposals	-	(37)	(37)
<b>Cost at 30 June 2017</b>	<b>4,109</b>	<b>656</b>	<b>4,765</b>
<b>Accumulated amortisation and impairment</b>			
Accumulated amortisation at 1 July 2016	(3,086)	-	(3,086)
Amortisation expense	(281)	-	(281)
Disposals	-	-	-
<b>Accumulated amortisation at 30 June 2017</b>	<b>(3,367)</b>	<b>-</b>	<b>(3,367)</b>
<b>Net book value at 30 June 2017</b>	<b>742</b>	<b>656</b>	<b>1,398</b>

NOTE 17: DEPRECIATION BY GROUP OF ACTIVITY

2016/17 \$(000's)	DEPRECIATION EXPENSE BY GROUP OF ACTIVITY	2017/18 \$(000's)
237	Environment and Planning	227
16,991	Engineering	17,775
3,520	Community Development	3,597
518	Council Enterprises	602
0	Governance	0
<b>21,267</b>	<b>Total directly attributable Depreciation by Group of Activity</b>	<b>22,201</b>
1,438	Depreciation expense not directly related to group of activities	1,490
<b>22,705</b>	<b>Total Depreciation Expense</b>	<b>23,691</b>
943	Plus depreciation from joint ventures	1,129
<b>23,648</b>	<b>Total Depreciation per Fixed Asset Note</b>	<b>24,820</b>

## NOTE 18: FORESTRY

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 silviculture costs and takes into consideration environmental, operational, and market restrictions.

Gains or losses arising on initial recognition of forestry 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.

2016/17		2017/18
\$(000's)	FORESTRY ASSETS	\$(000's)
32,848	Balance at 1 July	35,461
706	Gains/(losses) arising from changes attributable to assumed price and cost changes	4,413
1,907	Gains/(losses) arising from changes in fair value attributable to physical changes	(254)
	Gains/(losses) arising from changes attributable to applied discount rate	1,600
<b>35,461</b>	<b>Balance at 30 June</b>	<b>41,220</b>

The carrying value of the volumes harvested was \$3.1 million (2017: \$2.6 million) and is included as a reduction against gains/(losses) arising from changes in fair value attributable to physical changes.

The gains/(losses) arising from changes in fair value are unrealised.

Council owns 2,670 hectares of planted pinus radiata forest, which are at varying stages of maturity ranging from 1 to 37 years. Council also owns 210 hectares of planted Douglas fir, and 32 hectares of planted Cupressus Species trees.

Total harvested volume during the year ended 30 June 2018 was 59,426 tonnes (2017: 41,898 tonnes harvested).

Independent registered valuers PF Olsen and Company Ltd have valued forestry assets as at 30 June 2018. The following valuation assumptions have been adopted in determining the fair value of forestry assets:

- A post-tax discount rate of 6.0% has been used in discounting the present value of expected post-tax cash flows (2017: post-tax discount rate of 6.5% was used).
- Notional land rental costs have been included for freehold land
- The forests have been valued on a going concern basis and only includes the value of the existing crops on a single rotation basis
- All costs and revenues are expressed in current dollar terms.

Log prices represent the average monthly prices for the last three years to 30 June 2018.

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

Council is exposed to financial risks arising from changes in timber prices. Council 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. Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

## NOTE 19: 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.

2016/17		2017/18
\$(000's)	INVESTMENT PROPERTY	\$(000's)
4,620	Balance at 1 July	4,700
-	Addition (transfer from property, plant and equipment)	474
-	Sale of investment property	-
80	Gain/(loss) on changes in fair value of investment property	(44)
<b>4,700</b>	<b>Balance at 30 June</b>	<b>5,130</b>

Council's investment properties are valued annually at fair value effective 30 June based on open market evidence. The valuations were performed by Duke & Cooke Ltd and TelfordYoung, registered valuers. Both are experienced valuers 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 revenue and discounted cash flow methods. These methods are based upon assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates.

## NOTE 20: INVESTMENT IN ASSOCIATES

Council accounts for an investment in an associate in the 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.

Where the Council transacts with an associate, surpluses or deficits are eliminated to the extent of the Council's interest in the associate.

### A. PORT NELSON LTD

Council was vested a 50% shareholding in this entity. To arrive at a fair value the most recent audited statement of financial position (30 June 2018) has been equity accounted.

### B. NELSON AIRPORT LTD

Council has a 50% shareholding in this Company. To arrive at a fair value, the most recent audited statement of financial position (30 June 2018) has been equity accounted.

### C. TASMAN BAYS HERITAGE TRUST

Council has significant influence over the trust as it has the ability to appoint trustees. Council has equity accounted for 50% of this entity. To arrive at a fair value the most recent unaudited statement of financial position (June 2018) has been equity accounted.

	2016/17 Opening Book Value	2017/18 Share of Surplus	2017/18 Dividend Received	2017/18 Movement in Other comprehensive revenue	2017/18 Impairment of Investment	2017/18 Closing Book Value
INVESTMENT IN ASSOCIATES	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
Port Nelson Ltd	87,559	7,025	(2,750)	80	-	91,914
Nelson Airport Ltd	26,164	1,655	-	4,824	-	32,643
Tasman Bays Heritage Trust Inc.	9,587	7	-	253	-	9,847
	<b>123,310</b>	<b>8,687</b>	<b>(2,750)</b>	<b>5,157</b>	<b>-</b>	<b>134,404</b>

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.

## PERFORMANCE MEASURES

### Actual and Target Returns on Associates

A list of the investments in associates with targets for returns is set out below.

	Target return	2015/2016	2016/2017	2017/2018
Port Nelson Limited	Annual Dividend of not less than \$4.9m.	Annual Dividend of not less than 50% of net profit after tax. Achieved \$2.4m dividend. [Net profit after tax \$5.18m]	Achieved Total dividend \$6.5m. [Net profit after tax \$10.84m]	Achieved Total dividend \$6.5m (\$4m paid, \$1.5m payable). [Net profit after tax \$14.05m]
Nelson Airport Limited	Formulate a dividend policy to implement alongside fair value accounting.	Annual dividend of 5% of the opening shareholders' funds for that year. Achieved 5.4% \$305,000 dividend	A new dividend policy was adopted and included in the Statement of Intent for the 2017/18 year.  \$360,000 dividend received	No dividend was declared in year. A dividend of \$750,000 proposed, was declared and paid subsequent to 30 June 2018.

Council maintained its 50% investment in Port Nelson Limited and Nelson Airport Limited during the year as per its objective of retaining effective local body control of this strategic asset as set out in the Long Term Plan. Council also received a commercial return to reduce Council's reliance on rates income. These organisations carried out the nature and scope of activities as intended to be provided by the organisation for the year.

## NOTE 21: INTEREST IN JOINT VENTURES

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Council recognises its interest in a jointly controlled entities using proportionate consolidation which means that the statement of financial position of the Council includes its share of the assets that it controls jointly and its share of the liabilities for which it is jointly responsible. The statement of comprehensive revenue and expense of the Council includes its share of the revenue and expenses of the jointly controlled entities.

The entities disclosed below are treated as joint ventures.

### Nelson Regional Sewerage Business Unit (NRSBU)

Council has a 50% interest in this entity. The most recent unaudited financial statements (30 June 2018) have been used to determine Council's interest.

### Nelson Tasman Combined Civil Defence Organisation (NTCCDO)

Council has a 50% interest in this entity. The most recent unaudited financial statements (30 June 2018) have been used to determine Council's interest.

### Nelson Tasman Regional Landfill Business Unit (NTRLBU)

Council has a 50% interest in this entity established on 1 July 2017. The most recent unaudited financial statements (30 June 2018) have been used to determine Council's interest.

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

Year ended 30 June 2018	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	NRSBU	NTCCDO	NTRLBU	Total
<b>Financial results after inter-entity eliminations</b>				
Net revenue	2,541	206	2,785	5,533
Net expenditure	(2,759)	(338)	(3,350)	(6,448)
<i>Includes depreciation of</i>				
<b>Net surplus/ (deficit)</b>	<b>(218)</b>	<b>(132)</b>	<b>(565)</b>	<b>(915)</b>
<b>Other comprehensive income/ (expense)</b>	<b>950</b>	<b>-</b>	<b>29</b>	<b>979</b>
<b>Total comprehensive income/ (expense)</b>	<b>732</b>	<b>(132)</b>	<b>(536)</b>	<b>64</b>
Current assets	368	592	1,898	2,858
Current liabilities	(642)	(4)	(1,404)	(2,050)
Non-current assets	32,124	137	3,019	35,280
Non-current liabilities	(7,000)	-	-	(7,000)
<b>Net assets</b>	<b>24,850</b>	<b>725</b>	<b>3,513</b>	<b>29,088</b>

## NOTE 22: TRADE AND OTHER PAYABLES

Creditors and other payables are recorded at their face value.

3,714	Sundry accruals	7,459
1,346	Sundry deposits	1,072
1,460	Other	984
<b>13,098</b>		<b>21,010</b>
Comprising:		
13,098	Current	21,010
-	Non-current	-
<b>13,098</b>	<b>Total trade and other payables</b>	<b>21,010</b>



## NOTE 23: 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".

### PROVISION FOR LANDFILL AFTERCARE COSTS

On 1 July the NTLBBU (a joint committee of NCC and TDC) took over as the operator of the York Valley from NCC and the Eves Valley landfill from TDC. The business unit has a legal obligation to provide ongoing maintenance and monitoring services after closure. The provision is calculated on the basis of discounting closure and post closure costs into present day value. This calculation assumes no change in the recourse consent conditions for closure and post closure treatment.

2016/17		2017/18
\$(000's)	PROVISIONS	\$(000's)
	<b>Term</b>	<b>Term</b>
1,680	Opening Balance	1,783
(55)	Change in provision	(56)
158	Unwinding of discount	161
<b>1,783</b>		<b>1,889</b>

## NOTE 24. EMPLOYEE BENEFIT LIABILITIES

### 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. [Note: Retirement leave has not been discounted to present value]

##### 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.

2016/17		2017/18
\$(000's)	EMPLOYEE BENEFIT LIABILITIES	\$(000's)
368	Accrued pay	413
1,271	Annual leave	1,324
263	Retirement gratuities	281
411	Long Service Leave	399
50	Sick leave	50
<b>2,363</b>	<b>Total employee benefit liabilities</b>	<b>2,467</b>
	Comprising:	
1,893	Current	1,987
470	Non-current	480
<b>2,363</b>	<b>Total employee benefit liabilities</b>	<b>2,467</b>

## KEY ASSUMPTIONS IN MEASURING RETIREMENT AND LONG SERVICE LEAVE OBLIGATIONS

The present value of long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

The expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor is based on the treasury inflation rate. A weighted average discount rate of 4.75% (2017: 5.03%) and an inflation factor of 2.00% (2017: 2.75%) were used.

The retirement obligations have not been discounted to present value.

## NOTE 25: BORROWINGS

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

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.

### 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.

2016/17 \$(000's)	2016/17 \$(000's)		2017/18 \$(000's)	2017/18 \$(000's)
Term	Current	BORROWINGS	Term	Current
110,000	16,225	Tasman District Council	104,500	49,000
3	3	Finance Lease	0	3
<b>110,003</b>	<b>16,228</b>		<b>104,500</b>	<b>49,003</b>

### B. REFINANCING

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy.

### C. INTEREST RATES

Interest rates payable on individual loans range from 2.04% to 4.53% with a weighted average cost of borrowings, including swap rates and bank commitment fees of 4.46% (2017: 2.95% to 5.53% with a weighted average of 5.35%).

The Council's secured loans are issued at floating rates of interest. For floating rate debt, the interest rate is reset quarterly based on the 90 day bank bill rate plus a margin for credit risk. Due to interest rates on debt resetting to the market rate every three months, the carrying amounts of secured loans approximates their fair value.

#### D. REPAYABLE PERIOD OF LOANS

2016/17 \$(000's)	REPAYABLE PERIOD OF LOANS	2017/18 \$(000's)
	Repayable:	
16,225	Within 1 year	49,000
34,000	Within 1-2 years	10,000
51,000	Within 2-5 years	60,000
25,000	5+ years	26,500
-	Beyond 10 years	8,000
<b>110,000</b>	<b>Non-Current Portion</b>	<b>104,500</b>
<b>126,225</b>	<b>Total Loans</b>	<b>153,500</b>

Under PBE standards if Council expects and has the discretion to refinance or roll over an obligation for at least 12 months after balance date under an existing loan facility this is classified as non-current, even if it would otherwise be due within a shorter period. If there is no such arrangement for refinancing in place then Council must disclose these obligations as current.

Council has 7 loans maturing during the 2019 financial year totalling \$49 million and, as such the full \$49 million drawn is classified as a current liability. This is despite an expectation that these loans will be refinanced and extended within the 12 month period.

#### E. 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.

2016/17 \$(000's)		2017/18 \$(000's)
	Repayable:	
3	Within 1 year	3
3	Within 1-2 years	0
-	Within 2-5 years	-
-	5+ years	-
-	Beyond 10 years	-
<b>3</b>		<b>0</b>
<b>6</b>	<b>Total Finance Leases</b>	<b>4</b>

## INTERNAL BORROWINGS

Internal borrowings are charged to activities and then eliminated on consolidation in the Council's financial statements.

Group of Activity 2018	Opening Balance \$(000's)	Loans Raised \$(000's)	Loans Repaid \$(000's)	Closing Balance \$(000's)
Environmental Management	897	-	84	813
Public Health and Safety	377	-	26	351
Transportation, Roads and Footpaths	34,727	6,101	3,485	37,344
Coastal Structures	866	-	129	738
Solid Waste	6,675	4,717	960	10,432
Wastewater	25,872	4,316	1,690	28,498
Stormwater	15,545	7,427	1,619	21,352
Flood Protection and River Control Works	274	-	93	182
Water	30,152	10,787	2,866	38,072
Community Relations	1,588	-	152	1,436
Community Facilities and Parks	25,948	(9)	1,469	24,470
Council Enterprises	6,661	1,566	941	7,287
Governance	-	-	-	-
<b>Total Internal Loans</b>	<b>149,582</b>	<b>34,905</b>	<b>13,514</b>	<b>170,974</b>

Interest on internal loans for each activity is disclosed as finance costs in the individual Funding Impact Statements.

## NOTE 26: REVALUATION RESERVE

### ASSET REVALUATION RESERVE

This reserve relates to the revaluation of property, plant and equipment to fair value.

2015/16 \$(000's)	Note 26 REVALUATION RESERVE	Inc (Dec) \$(000's)	Impairment Adjustment \$(000's)	2016/17 \$(000's)
47,991	Port Nelson Limited	11,599	-	59,590
11,921	Nelson Regional Sewerage Business Unit	3,653	-	15,574
21,463	Nelson Airport Limited	(2,441)	-	19,022
1,823	NZ Local Government Shares	820	-	2,643
2,220	Tasman Bay Heritage Trust	-	-	2,220
76,133	Land	-	-	76,133
33,429	Buildings	-	340	33,769
353,507	Roads	37,081	-	390,588
151	Aerodromes	451	-	602
26,190	Rivers	9,080	-	35,270
0	Coastal Structures and Ports	1,778	-	1,778
1,893	Refuse	(750)	-	1,143
44,621	Wastewater	(934)	-	43,687
71,445	Stormwater	(1,455)	-	69,990
42,843	Water	(3,693)	-	39,150
735,630		55,189	340	791,159

2014/15 \$(000's)	Note 26 REVALUATION RESERVE	Inc (Dec) \$(000's)	Transfer to Accumulated Equity \$(000's)	2015/16 \$(000's)
48,252	Port Nelson Limited	(261)	-	47,991
11,493	Nelson Regional Sewerage Business Unit	428	-	11,921
3,001	Nelson Airport Limited	18,462	-	21,463
768	NZ Local Government Shares	1,055	-	1,823
2,235	Tasman Bay Heritage Trust	(15)	-	2,220
70,770	Land	6,952	(1,589)	76,133
20,564	Buildings	12,787	78	33,429
353,507	Roads	-	-	353,507
151	Aerodromes	-	-	151
26,190	Rivers	-	-	26,190
4,999	Coastal Structures and Ports	(4,999)	-	-
1,893	Refuse	-	-	1,893
44,621	Wastewater	-	-	44,621
71,445	Stormwater	-	-	71,445
42,843	Water	-	-	42,843
702,732		34,409	(1,511)	735,630

**NOTE 27: ACCUMULATED 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.

2016/17		2017/18
\$(000's)	ACCUMULATED EQUITY	\$(000's)
554,438	Opening balance	586,746
32,866	Surplus	23,690
(653)	Net Transfers (to)/ from Reserves	1,839
95	Equity Restatement	
<b>586,746</b>		<b>612,275</b>



## NOTE 28: 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.

2016/17 \$(000's)		2017/18 \$(000's)
17,447	<b>At 1 July</b>	18,100
	Transfers to:	
653	Net Transfers to reserves	2,266
18,100	<b>At 30 June</b>	20,366
	Restricted Funds consist of;	
18,100	Other Funds (detailed below)	20,366
<b>18,100</b>		<b>20,366</b>

### RESTRICTED RESERVE REPORTING – OTHER FUNDS

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.

2017/18	Activity to which the fund relates	Opening Balance 1 July 2017 (000's)	Transfer into fund (000's)	Transfers out of fund (000's)	Closing Balance 30 June 2018 (000's)
Reserve Financial Contributions Reserve	Community Facilities & Parks	5,728	2,332	(1,122)	6,938
Rivers Disaster Fund	Rivers & Flood Protection	1,109	21	(1,133)	(2)
Rivers Reserve	Rivers & Flood Protection	1,101	1,445	(2,715)	(169)
Water Reserve	Water	599	22,105	(21,851)	853
Wastewater Reserve	Wastewater	1,183	14,438	(13,985)	1,636
Self Insurance Fund	Overall Council	1,024	(0)	-	1,024
Stormwater Reserve	Stormwater	600	11,310	(11,268)	641
Solid Waste Reserve	Solid Waste	1,003	7,670	(8,378)	296
Dog Control Reserve	Public Health & Safety	33	404	(432)	5
Community Facilities Rate Reserve	Community Facilities & Parks	456	2,906	(3,138)	223
Camping Ground Reserve	Council Enterprises & Property	59	1,034	(871)	222
Community Housing Reserve	Community Facilities & Parks	181	651	(677)	155
Development Contribution Reserve	Roading & Footpaths, Water, Wastewater, Stormwater	1,644	5,959	(2,942)	4,660
General Disaster Fund	Governance	3,379	65	442	3,886
<b>TOTAL</b>		<b>18,100</b>	<b>70,338</b>	<b>(68,071)</b>	<b>20,366</b>



2016/17	Activity to which the fund relates	Opening Balance 1 July 2016 (000's)	Transfer into fund (000's)	Transfers out of fund (000's)	Closing Balance 30 June 2017 (000's)
Reserve Financial Contributions Reserve	Community Facilities & Parks	5,196	1,695	(1,163)	5,728
Rivers Disaster Fund	Rivers & Flood Protection	1,000	109	-	1,109
Rivers Reserve	Rivers & Flood Protection	1,260	3,391	(3,550)	1,101
Water Reserve	Water	1,638	16,667	(17,706)	599
Wastewater Reserve	Wastewater	2,144	15,772	(16,733)	1,183
Self Insurance Fund	Overall Council	992	32	-	1,024
Stormwater Reserve	Stormwater	1,166	8,241	(8,807)	600
Solid Waste Reserve	Solid Waste	475	10,256	(9,728)	1,003
Dog Control Reserve	Public Health & Safety	54	464	(485)	33
Community Facilities Rate Reserve	Community Facilities & Parks	1,014	7,532	(8,090)	456
Camping Ground Reserve	Council Enterprises & Property	25	991	(956)	59
Community Housing Reserve	Community Facilities & Parks	141	723	(683)	181
Development Contribution Reserve	Roading & Footpaths, Water, Wastewater, Stormwater	(536)	3,880	(1,700)	1,644
General Disaster Fund	Governance	2,878	501	-	3,379
<b>TOTAL</b>		<b>17,447</b>	<b>70,255</b>	<b>(69,602)</b>	<b>18,100</b>

#### DOG CONTROL RESERVE

The dog control reserve is used to separate all funding and expenditure for the dog control activity.

#### DEVELOPMENT CONTRIBUTION RESERVE

It is Tasman District Council's intention that developers should bear the cost of the increased demand that development places on the District's infrastructure. Population growth in the District places a strain on network and community infrastructure. That infrastructure will need to expand and be further developed in order to cope with the demands of population growth. This includes additional demand on services such as roading, water supply, wastewater and stormwater management. All development contributions must be separately accountable and the Council keeps development contributions received in four separate accounts; roading, wastewater, stormwater and water. Strict criteria apply to the use of these funds.

#### WATER RESERVE

The water reserve is used to separate all funding and expenditure for the water activity, excluding development contributions revenue and projects. Each year Council sets the proposed revenue, expenditure and funding budgets for this activity. Variations from these budgets, as a result of timing of projects and/or unplanned expenditure are recorded in the water reserve to keep any surpluses/deficits separate from other activities.

#### WASTEWATER RESERVE

The wastewater reserve is used to separate all funding and expenditure for the wastewater activity, excluding development contributions revenue and projects. Each year Council sets the proposed revenue, expenditure and funding budgets for this

#### APPENDICES

activity. Variations from these budgets, as a result of timing of projects and/or unplanned expenditure are recorded in the wastewater reserve to keep any surpluses/deficits separate from other activities.

#### **STORMWATER RESERVE**

The stormwater reserve is used to separate all funding and expenditure for the stormwater activity, excluding development contributions revenue and projects. Each year Council sets the revenue, expenditure and funding budgets for this activity. Any variations from these budgets for example as a result of timing of projects or unplanned expenditure are recorded in the stormwater reserve to keep any surpluses/deficits separate from other activities.

#### **SOLID WASTE RESERVE**

The solid waste reserve is used to separate all funding and expenditure for the solid waste activity. Each year Council sets the revenue, expenditure and funding budgets for this activity. Any variations from these budgets for example timing of projects or unplanned expenditure are recorded in the solid waste reserve to keep any surpluses/deficits separate from other activities.

#### **RIVERS DISASTER FUND**

The rivers disaster fund (The Classified Rivers Protection Fund) covers the excess for river protection assets insured under the Local Authority Protection Programme (LAPP).

#### **RIVERS RESERVE**

The rivers reserve is used to enable separate accounting for the funding and expenditure for the rivers activity. Each year Council sets the revenue, expenditure and funding budgets. Variations from these budgets, as a result of timing of projects or unplanned expenditure are recorded in the rivers fund to keep any surpluses/deficits separate from other activities.

#### **RESERVE FINANCIAL CONTRIBUTIONS RESERVE**

Reserve financial contributions are paid as a percentage of the land value of new allotments, and are applied to the acquisition and development of land for reserves, and to the development and upgrading of community services. All reserve financial contributions must be separately accountable and the Council keeps reserve financial contributions received in four separate accounts (Golden Bay ward, Motueka ward, Moutere/Waimea/Lakes/Murchison wards, and Richmond ward). Strict criteria apply to the use of these funds.

#### **GENERAL DISASTER FUND**

The General Disaster Fund is to cover uninsurable assets like roads and bridges. Council usually receives a subsidy from NZ Transport Agency to cover part of the costs of any roads and bridges damaged in a disaster but Council needs to fund any remaining costs.

#### **SELF-INSURANCE FUND**

The purpose of this fund is to provide cover for assets that are medium to low risk, but are uneconomic to insure.

#### **COMMUNITY FACILITIES RATE RESERVE**

The community facilities rate reserve is used to ring-fence all funding and expenditure on the community facilities activity. Each year in Council's Annual Plan revenue, expenditure and funding budgets are set for this activity. Any variations from these budgets (due to timing of projects, unplanned expenditure etc.) are recorded in the community facilities rates reserve so that any surpluses/deficits can be ring-fenced.

#### **CAMPING GROUND RESERVE**

The camping ground reserve is used to ring-fence all funding and expenditure on the camping ground activity. Each year in Council's Annual Plan revenue, expenditure and funding budgets are set for this activity. Any variations from these budgets (due to timing of projects, unplanned expenditure etc.) are recorded in the camping ground reserve so that any surpluses/deficits can be ring-fenced.

#### **COMMUNITY HOUSING RESERVE**

The community housing reserve is used to ring-fence all funding and expenditure on the community housing activity. Each year in Council's Annual Plan revenue, expenditure and funding budgets are set for this activity. Any variations from these budgets (due to timing of projects, unplanned expenditure etc.) are recorded in the community housing reserve so that any surpluses/deficits can be ring-fenced.

## **APPENDICES**

**NOTE 29: CASHFLOW RECONCILIATION**

To be updated

DRAFT

## NOTE 30: RELATED PARTY TRANSACTIONS

2016/2017 \$'000	NOTE 30 RELATED PARTY TRANSACTIONS	2017/2018 \$'000
<b>A) PORT NELSON LIMITED</b>		
<b>i) Received from:</b>		
3,250	Share of dividends	2,750
2,500	ii) Accounts receivable	2,000
<b>B) TASMAN BAYS HERITAGE TRUST</b>		
<b>i) Paid to:</b>		
834	Operational funding	846
654	ii) Loan funding	587
<b>C) NELSON AIRPORT LIMITED</b>		
<b>i) Received from:</b>		
300	Share of dividends	360
–	ii) Accounts receivable	–

The loan from Council to Tasman Bays Heritage Trust is at a nil interest rate (2016: Nil). The fair value balance on the loan at year end is \$583,000 (2017: \$583,000). The loan has a face value of \$925,000 (2016: \$925,000).

As all other transactions are deemed to have occurred within a normal supplier/client relationship on terms and conditions considered to be at arm's length, they are not required to be disclosed.

No provision has been required, nor any expense recognised for impairment of receivables, for any loans or receivables to related parties (2016 \$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.).

Key management personnel include the Mayor, Councillors, Chief Executive, and Management Team.

2016/17		2017/18
\$(000's)	KEY MANAGEMENT PERSONNEL REMUNERATION	\$(000's)
	<b>Senior Management Team, including the Chief Executive</b>	
1,089	Remuneration	1,290
4.8	Full-time equivalent members	5

Councillor's remuneration is disclosed in Note 38, Elected Representatives.

## NOTE 31: SEVERANCE

In accordance with Schedule 10, Part 3, Clause 19, Local Government Act 2002, Council declares that there has been one individual severance payment made to an employee during this financial year of \$5,962(2017: two individual severance payment of \$2,413 and \$22,910).

## NOTE 32: REMUNERATION

### CHIEF EXECUTIVE

2016/17 \$(000's)	CHIEF EXECUTIVE REMUNERATION	2017/18 \$(000's)
	<b>Chief Executive</b>	
-	Dowding Janine (appointed 28 May 2018)	22
311	McKenzie Lindsay Ronald (resigned 25 May 2018)	374
<b>311</b>	<b>Total Chief Executive remuneration</b>	<b>397</b>

### COUNCIL EMPLOYEES – HEAD COUNT

Total annual remuneration by band for employees as at 30 June	30 June Headcount
<b>30 June 2018</b>	
<60,000	105
\$60,000 - \$79,999	75
\$80,000 - \$99,999	63
\$100,000 - \$119,999	31
\$120,000 - \$139,999	11
\$140,000 - \$159,999	6
\$160,000 - \$319,999	5
<b>Total employees at 30 June 2018</b>	<b>296</b>

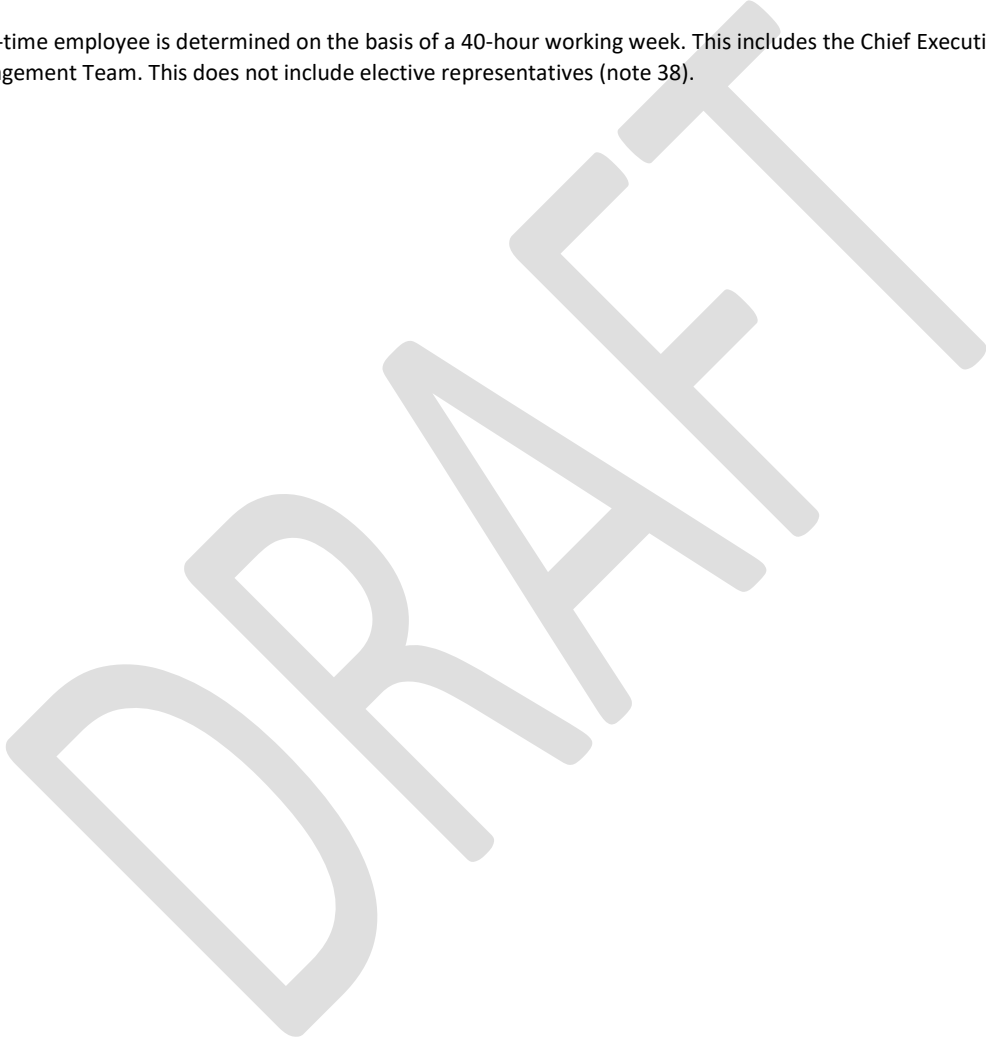
Total annual remuneration by band for employees as at 30 June	30 June Headcount
<b>30 June 2018</b>	
<60,000	105
\$60,000 - \$79,999	75
\$80,000 - \$99,999	63
\$100,000 - \$119,999	31
\$120,000 - \$139,999	11
\$140,000 - \$159,999	6
\$160,000 - \$319,999	5
<b>Total employees at 30 June 2018</b>	<b>296</b>
<b>30 June 2017</b>	
<60,000	100
\$60,000 - \$79,999	76
\$80,000 - \$99,999	51
\$100,000 - \$119,999	29
\$120,000 - \$139,999	14
\$140,000 - \$319,999	9
<b>Total employees at 30 June 2017</b>	<b>279</b>

Total remuneration includes non-financial benefits provided to employees including the Chief Executive and Senior Management Team. This does not include elective representatives (note 38).

**COUNCIL EMPLOYEES – FULL TIME EQUIVALENT**

30 June 2017		30 June 2018
FTE	Full-time equivalent	FTE
<b>Full time equivalent staff numbers</b>		
214	Full-time staff	221
41	Part time staff, on full-time equivalent staff basis	48
<b>255</b>	<b>Total full time equivalent staff numbers</b>	<b>269</b>

A full-time employee is determined on the basis of a 40-hour working week. This includes the Chief Executive and Senior Management Team. This does not include elective representatives (note 38).



## NOTE 33: FINANCIAL INSTRUMENTS

### 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.

#### 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:

CASH AND CASH EQUIVALENTS		
2,242	AA-	1,293
<b>2,242</b>	<b>Total cash and cash equivalents</b>	<b>1,293</b>
OTHER FINANCIAL ASSETS HELD TO MATURITY		
1,235	AA-	1,235
<b>1,235</b>	<b>Total financial assets held to maturity</b>	<b>1,235</b>
DERIVATIVE FINANCIAL LIABILITIES		
(11,465)	AA-	(12,700)
<b>(11,465)</b>	<b>Total derivative financial liabilities</b>	<b>(12,700)</b>

2016/17		2017/18
\$(000's)	COUNTERPARTIES WITHOUT CREDIT RATINGS	\$(000's)

COMMUNITY LOANS		
268	Existing counterparty with no defaults in the past	214
-	Existing counterparty with defaults in the past	-
<b>268</b>	<b>Total Community loans</b>	<b>214</b>
LOANS TO RELATED PARTIES		
583	Existing counterparty with no defaults in the past	524
-	Existing counterparty with defaults in the past	-
<b>583</b>	<b>Total Loans to related parties</b>	<b>524</b>
OTHER FINANCIAL ASSETS HELD TO MATURITY		
-	Existing counterparty with no defaults in the past	-
-	Existing counterparty with defaults in the past	-
-	<b>Total other financial assets held to maturity</b>	<b>-</b>

### APPENDICES

#### UNLISTED SHARES

6,199	Existing counterparty with no defaults in the past	7,666
-	Existing counterparty with defaults in the past	-
<b>6,199</b>	<b>Total unlisted shares</b>	<b>7,666</b>

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 receivables, 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.

Council is exposed to credit risk as a guarantor of all of the NZ LGFA's borrowings.

#### B) 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.

#### C) 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 (2016: \$20,000).

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

#### D) 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 revenue and expense.

#### E) 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 Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$100,000 (2017: \$100,000). There are no restrictions on the use of this facility.

Council has an undrawn loan facility of \$10 million with Westpac, and \$27 million with ASB.

Council is exposed to liquidity risk as a guarantor of all of the NZ LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Further information is included in the contingencies note.

## NOTE 34: CAPITAL MANAGEMENT

### APPENDICES



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 Plan (LTP) 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 LTP.

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.

### **NOTE 35: 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.

### **NOTE 36: SIGNIFICANT VARIANCES COMPARED TO THE ANNUAL PLAN**

The Council made a net surplus of \$23.690 million (budgeted surplus of \$9.169 million). Explanations for major variations from the budget are as follows:

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

Fair value movement on forestry mainly due to increased log prices (\$5m).

Vested Assets over budget due to growth activity in the District \$5.6m).

Development Contribution and Reserve Financial Contributions ahead of budget due to growth in the District (\$2.9m)

Additional forestry income due to harvesting being brought forward (\$2.2m)

Share of associate's income is up of budget due to the outstanding results achieved by Council's associates.

Share of joint venture revenue and expenditure is down on budget after the elimination of intercompany transactions.

Finance costs are down on budget due to market conditions, more active treasury management and a decrease in loans raised due to the capital works programme being behind budget.

Depreciation expense is down on budget due to capital work on major projects being delayed.

### **NOTE 37: EVENTS OCCURRING AFTER BALANCE DATE**

Council is unaware of any other significant events between the preparation and authorisation of these financial statements.

## NOTE 38: ELECTED REPRESENTATIVES

In accordance with Schedule 10, Part 3, section 32 of the Local Government Act 2002, the total remuneration and value of other non-financial benefits received by, or payable to the Mayor, and Councillors for the year were as follows:

	SALARY \$	CONSENT HEARINGS \$	TOTAL COST \$	DIRECTOR FEES \$	TOTAL \$
Kempthorne R G, Mayor	134,628	-	134,628	-	134,628
King T B, Deputy Mayor	48,277	2,325	50,602	33,494	84,096
<b>Councillors</b>					
Bryant S G, Standing Committee Chair	44,564	900	45,464	-	45,464
Canton P, Standing Committee Chair	44,564	1,120	45,684	-	45,684
Brown S,	37,137	-	37,137	-	37,137
Greening M	37,137	-	37,137	11,065	48,202
Hawkes P	37,137	-	37,137	-	37,137
McNamara D	37,137	900	38,037	-	38,037
Ogilvie D	37,137	-	37,137	-	37,137
Sangster P	37,137	-	37,137	-	37,137
Tuffnell T	37,137	-	37,137	-	37,137
Turley A	37,137	-	37,137	-	37,137
Wensley D	37,137	1,200	38,337	-	38,337
Maling K	37,137	-	37,137	-	37,137
<b>Community Board</b>					
Dowler B	7,054	-	7,054	-	7,054
Gowland D	6,328	-	6,328	-	6,328
Grant A	6,328	-	6,328	-	6,328
Horrell R	7,054	-	7,054	-	7,054
Hutt C	7,054	-	7,054	-	7,054
Knowles G	6,328	-	6,328	-	6,328
Langford A	12,656	-	12,656	-	12,656
Maru B	14,108	-	14,108	-	14,108
<b>Total elected representatives</b>	<b>710,313</b>	<b>6,445</b>	<b>716,758</b>	<b>44,559</b>	<b>761,317</b>

The Mayor R G Kempthorne has full private use of a vehicle to undertaken his civic duties. The Remuneration Authority values this full private use at \$3,181 (2017: \$3,181).

Deputy Mayor T B King is a Director of Port Nelson Limited and received director fees from Port Nelson of \$33,494 during the year (2017: \$33,576).

## NOTE 39: FINANCIAL PERFORMANCE IN RELATION TO REGULATIONS BENCHMARKS

ANNUAL REPORT DISCLOSURE STATEMENT FOR YEAR ENDING 30 JUNE 2016

What is the purpose of this statement?

The purpose of this statement is to disclose Council's financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

### RATES AFFORDABILITY BENCHMARK

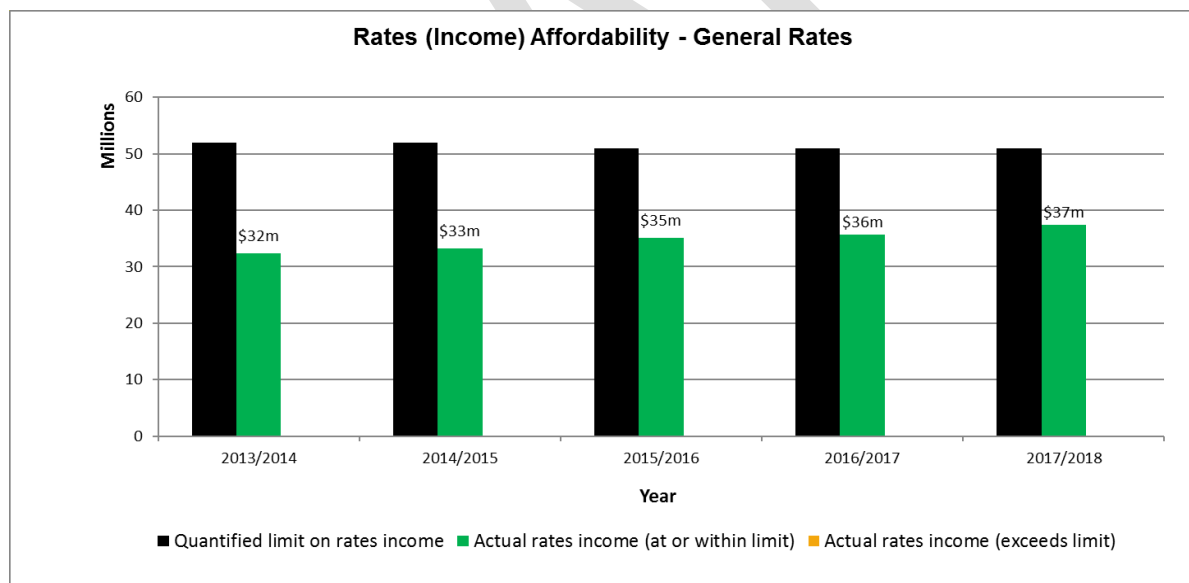
Council meets the rates affordability benchmark if:

- its actual rates revenue equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

#### Rates (Revenue) Affordability

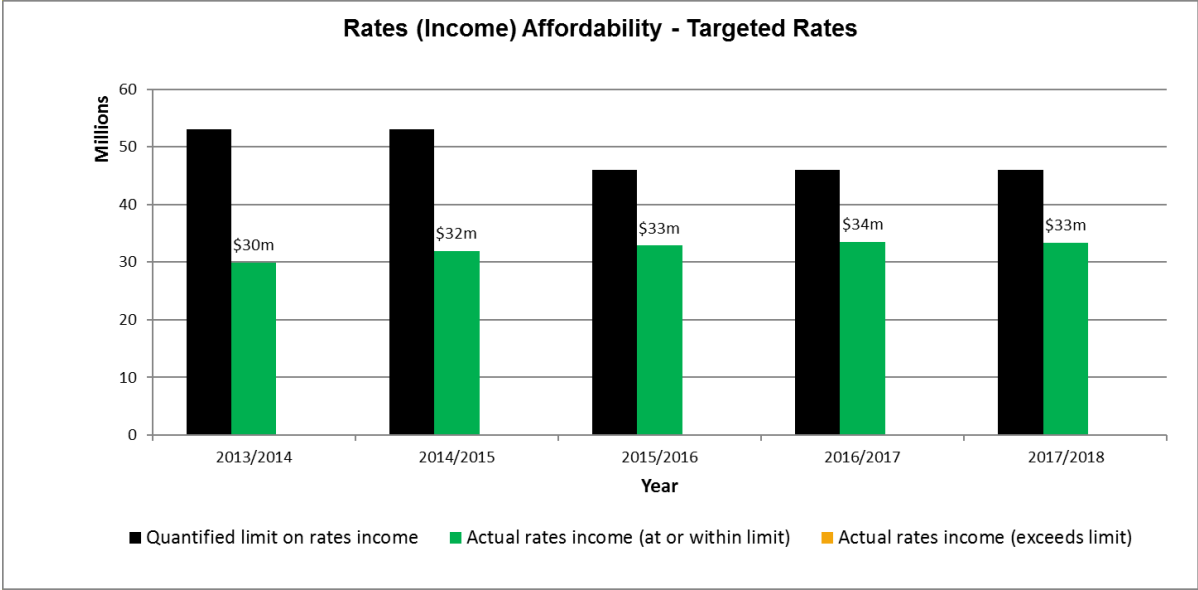
The following graph compares Council's actual general rates revenue with a quantified limit on general rates contained in the financial strategy included in Council's Long Term Plan.

The quantified limit for general rates is \$52 million per annum for each year covered by the Long Term Plan 2012 – 2022 and \$51 million per annum for each year covered by the Long Term Plan 2015 – 2025.



The following graph compares Council’s actual targeted rates revenue with a quantified limit on targeted rates contained in the financial strategy in Council’s Long Term Plan.

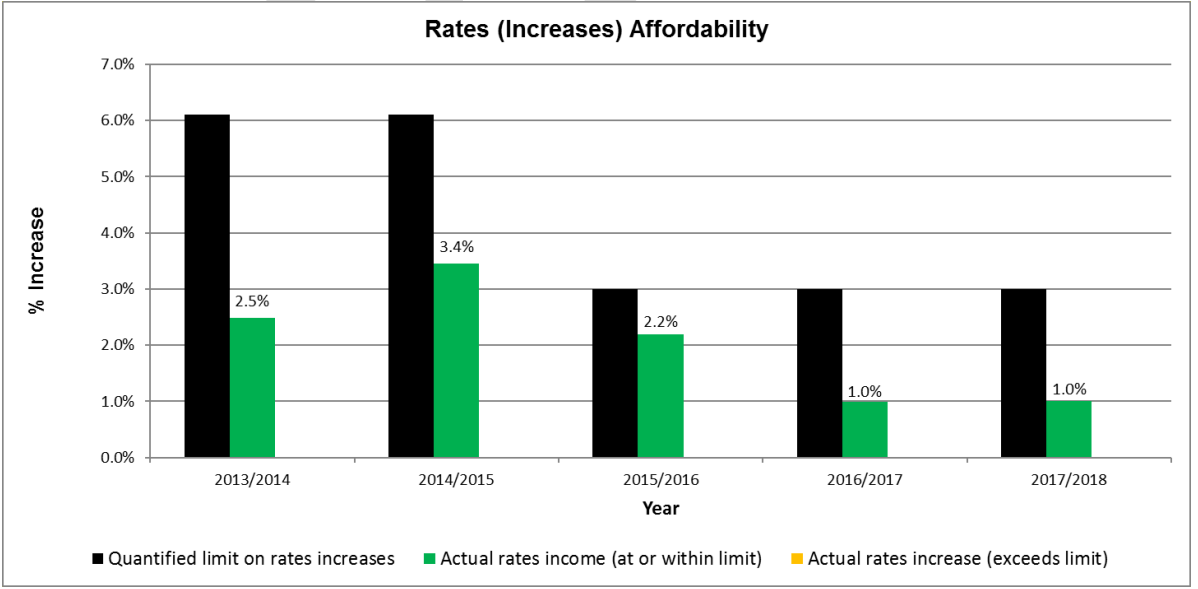
The quantified limit for targeted rates is \$53 million per annum for each year covered by the Long Term Plan 2012 – 2022 and \$46 million per annum for each year covered by the Long Term Plan 2015 – 2025.



**Rates (Increases) Affordability**

The following Graph compares Council’s actual rate increases with a quantified limit on rates increases contained in the financial strategy in Council’s Long Term Plan.

The quantified limit is 6.10% per annum for all rates for each year covered by the Long Term Plan 2012 – 2022 and 3% excluding growth per annum for each year covered by the Long Term Plan 2015 – 2025.



## DEBT AFFORDABILITY BENCHMARK

Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The definitions contained in the regulations differ from those used in Council's financial strategy contained in the Long Term Plan. The main departure between these two documents relates to the definition of net debt in the regulations compared to net external debt in the financial strategy. The quantified limits on borrowings contained in the benchmark graphs were taken from the financial strategy, and as such were formulated in relation to the definition of net external debt. Actual results are reported using both the prescribed definitions contained in the regulations, and the definition intended by the financial strategy, explained below.

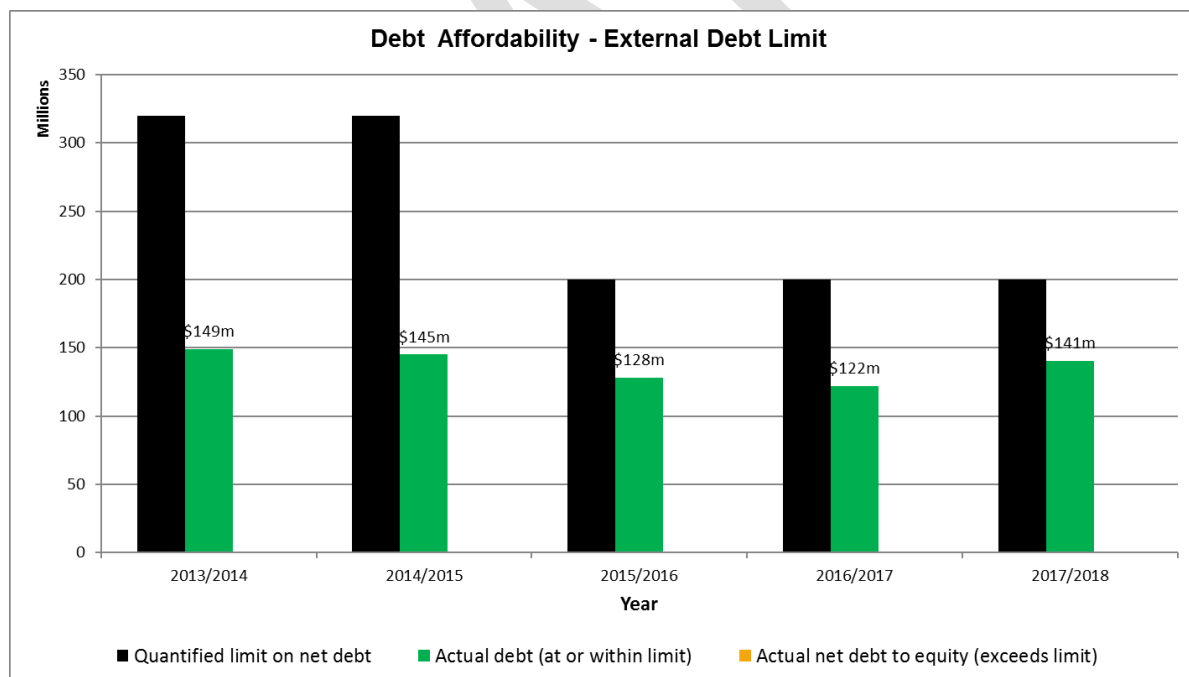
Net external debt is defined in the financial strategy of the Long Term Plan 2015 – 2025 as total external debt less liquid financial assets and investments.

Net debt is defined in the regulations as financial liabilities less financial assets (excluding trade and other receivables). Financial liabilities as defined by GAAP include, gross external debt (aggregate and financial guarantees provided to third parties) plus trade payables and derivative financial instruments (interest rate swaps). Financial assets as defined by GAAP include cash or near cash treasury investments held from time to time, and equity instruments of other entities e.g. investments in CCOs.

### External Debt Limit

The following graph compares Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy contained in Council's Long Term Plan.

The quantified limit is gross external debt not to exceed \$320 million per annum for each year covered by the Long Term Plan 2012 – 2022 and net external debt not to exceed \$200 million per annum for each year covered by the Long Term Plan 2015 – 2025.

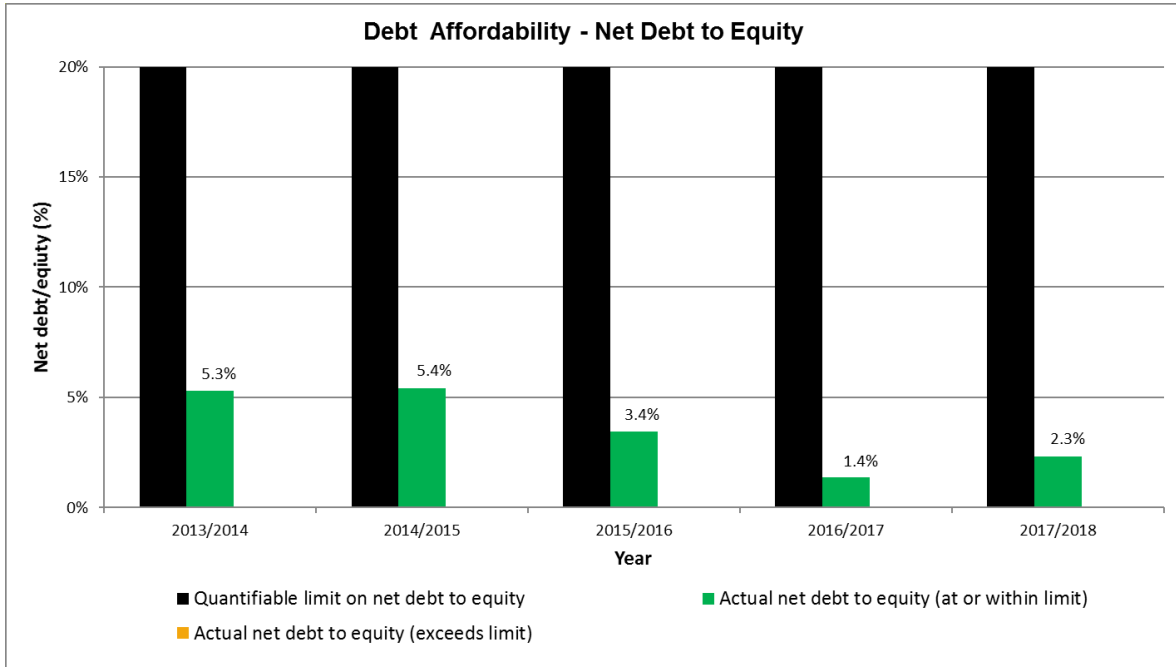


### Net Debt to Equity

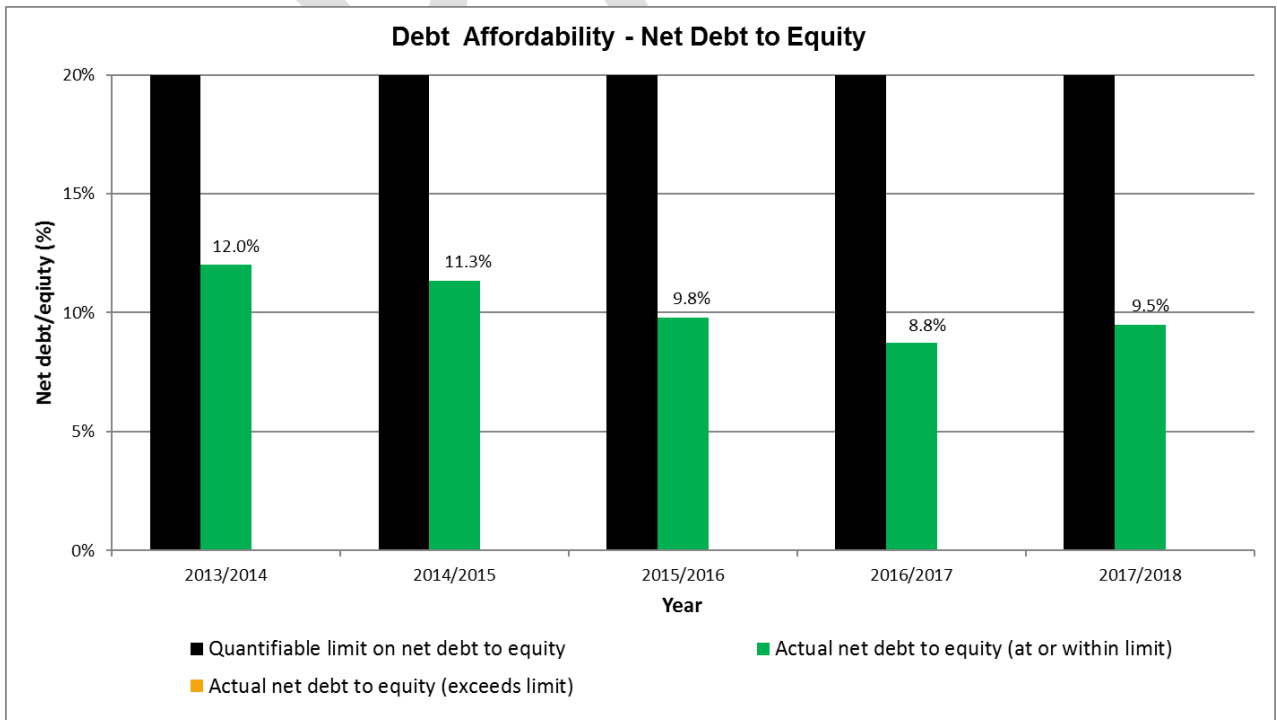
The following graph compares Council's actual net debt with a quantified limit on borrowing stated in the financial strategy contained in Council's Long Term Plan.

The quantified limit is net external debt to not exceed 20% of equity.

The following graph represents the actual results based on the prescribed definitions in the regulations.



The following graph represents the actual results based on the intended definitions contained in the financial strategy.



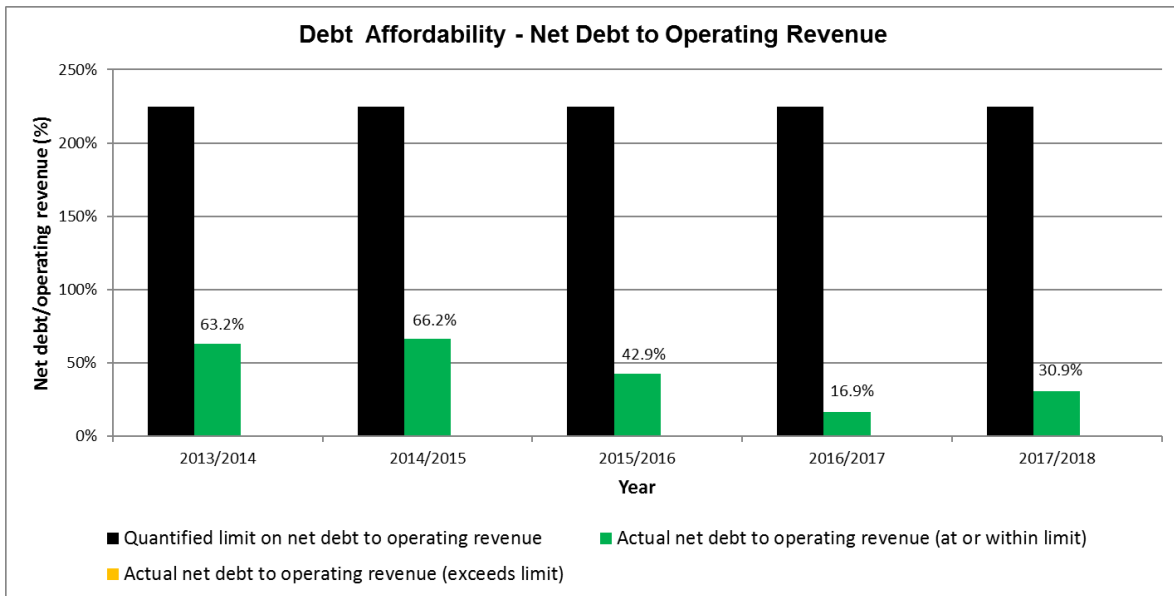
### Net Debt to Total Operating Revenue

The following graph compares Council’s actual net debt with a quantified limit on borrowing stated in the financial strategy contained in Council’s Long Term Plan.

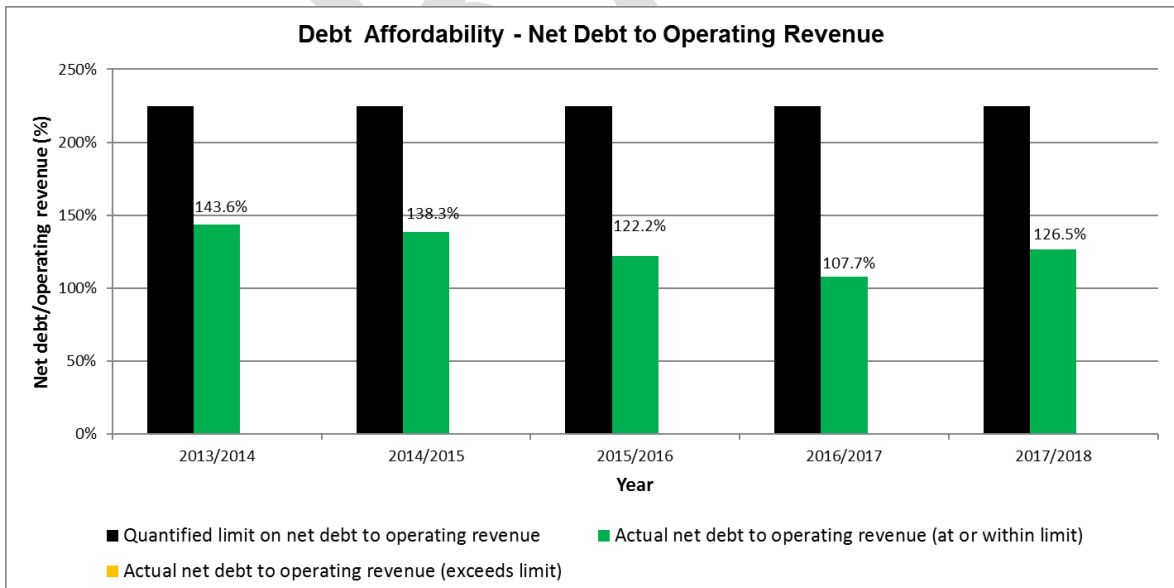
The quantified limit is net external debt to net exceed 225% of total operating revenue.

(Total operating revenue is defined in the financial strategy as earnings from rates, government grants and subsidies, user charges, levies, interest, dividends, financial and other revenue, but excludes non-government capital contributions, (e.g. developer contributions and vested assets)).

The following graph represents the actual results based on the prescribed definitions in the regulations.



The following graph represents the actual results based on the intended definitions contained in the financial strategy.

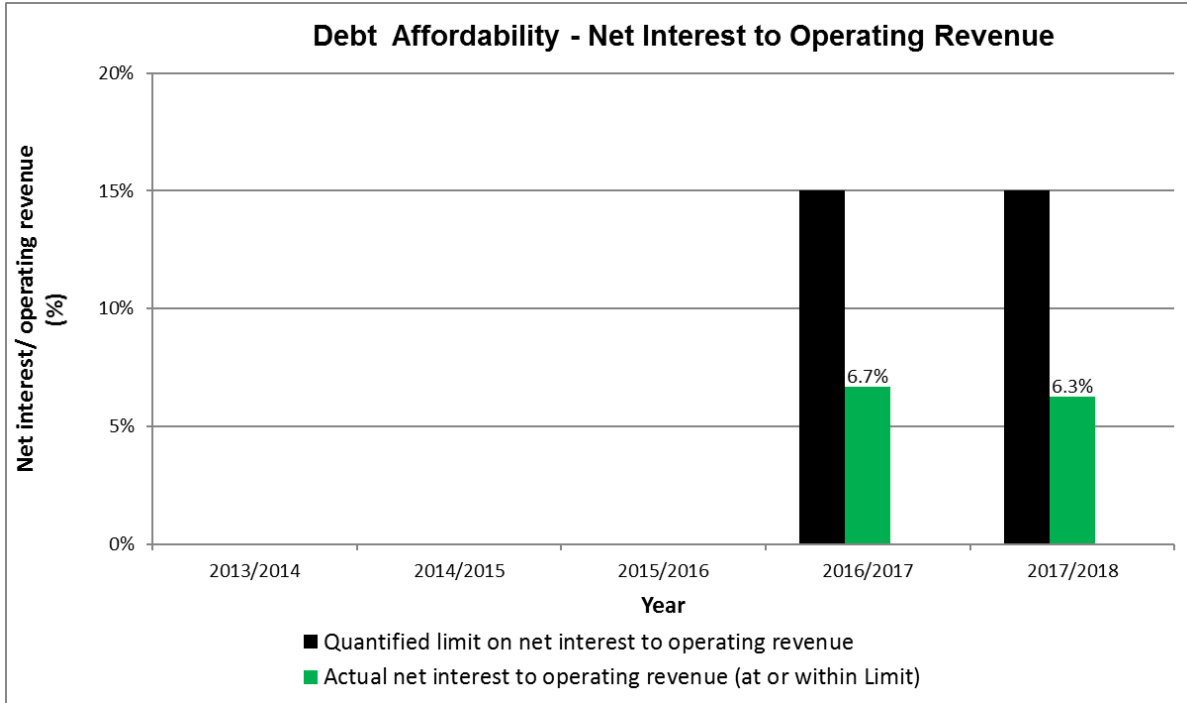




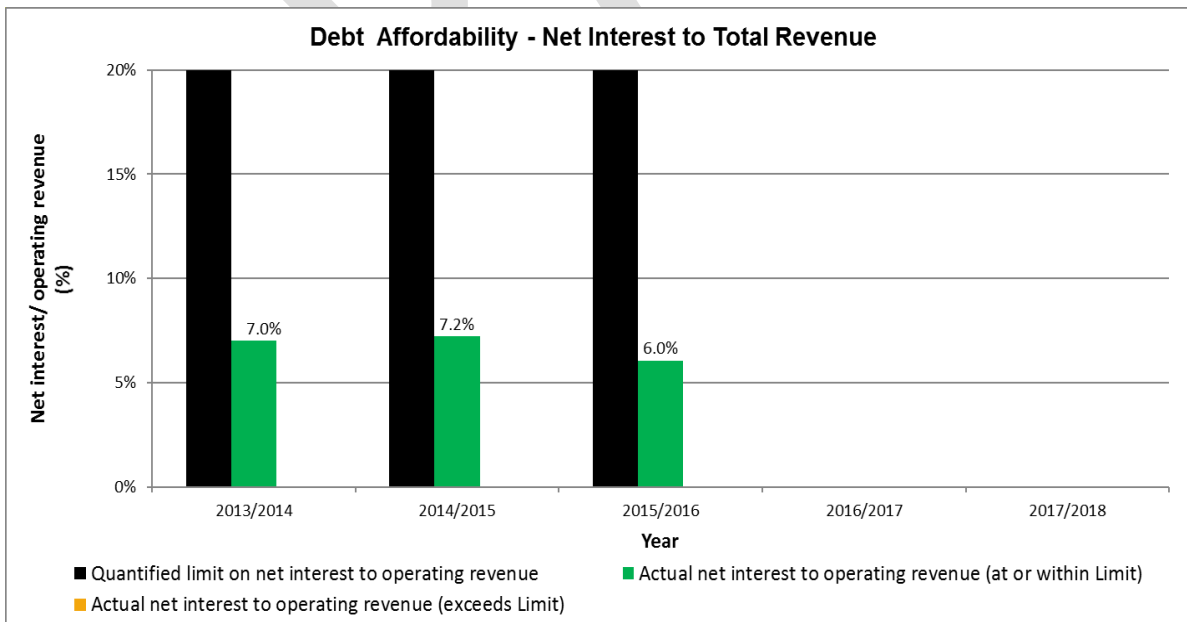
### Net Interest to Total Revenue

The following graph compares Council’s actual net interest expense with a quantified limit on borrowing stated in the financial strategy contained in Council’s Long Term Plan.

The quantified limit is net interest on external debt to not exceed 15% of total operating revenue for each year covered by the Long Term Plan 2015 – 2025. This measure replaces the quantified limit contained in the Long Term Plan 2012 – 2022 so has no comparatives.



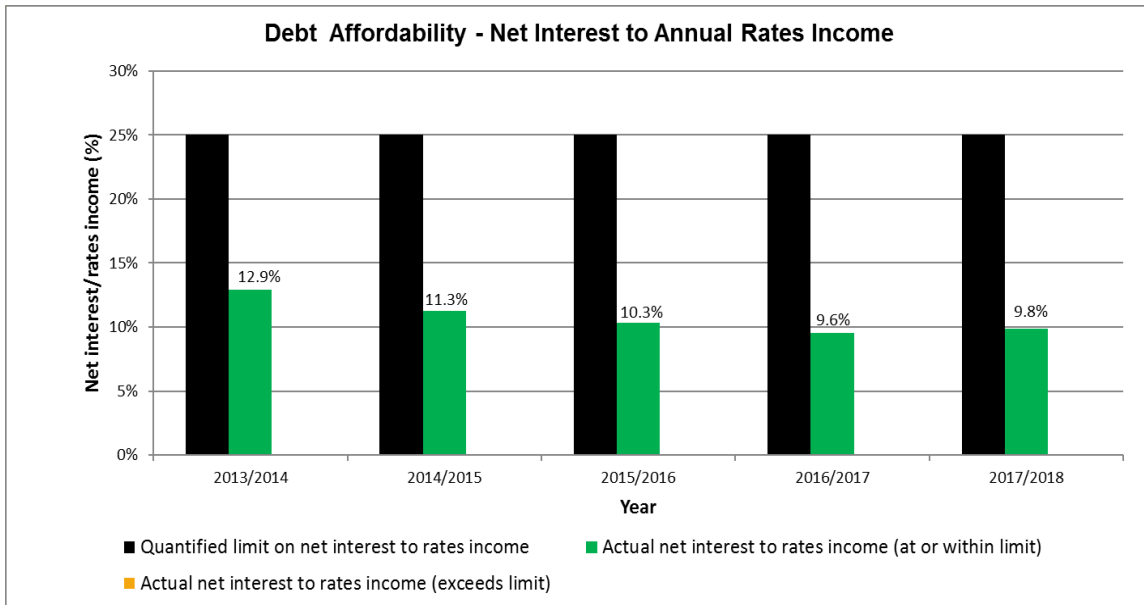
The quantified limit in the Long Term Plan 2012 – 2022 was net interest on net external debt to not exceed 20% of total revenue for each year covered by the Long Term Plan 2012 – 2022.



### Net Interest to Total Rates Revenue

The following graph compares Council’s actual net interest expense with a quantified limit on borrowing stated in the financial strategy contained in Council’s Long Term Plan.

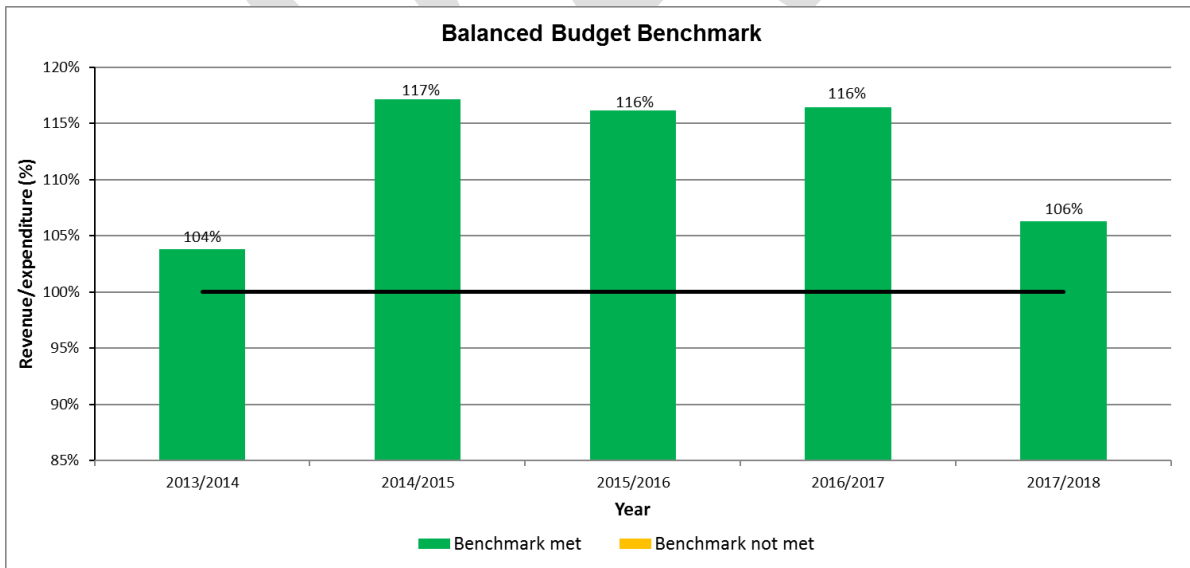
The quantified limit is net interest expense on net external debt to not exceed 25% of annual rates revenue.



### BALANCED BUDGET BENCHMARK

The following graph displays Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets this benchmark if its revenue equals or is greater than its operating expenses.



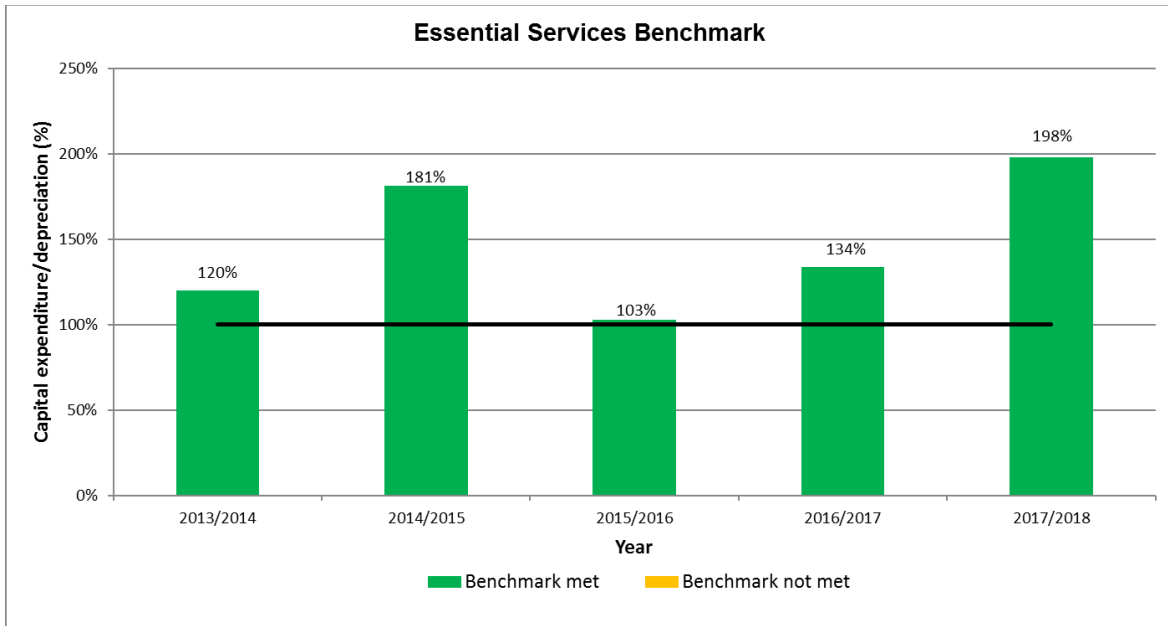
Note: Operating expenses include depreciation. Council decided not to fund depreciation but to fund principal repayments on debt instead, with depreciation being higher than principal repayments. This issue was addressed as part of Council’s Long Term Plan 2015 – 2025 with funding of depreciation being phased in over the ten years covered by the plan.

### ESSENTIAL SERVICES BENCHMARK

The following graph displays Council's capital expenditure on network services as a proportion of depreciation on network services.

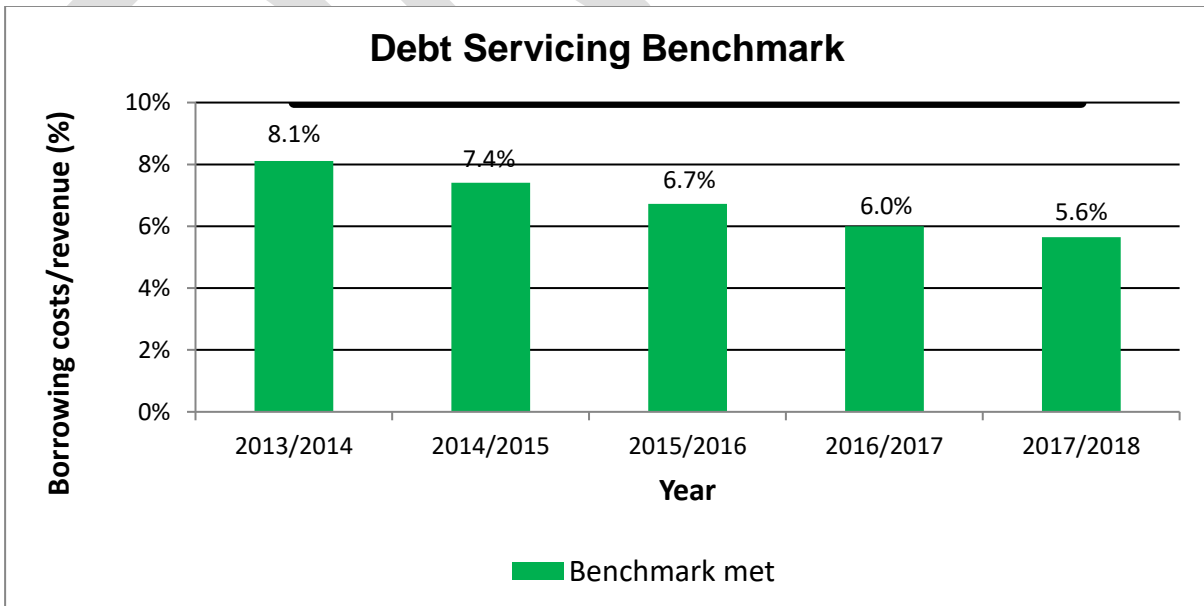
The regulations define network services as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works, and the provision of roads and footpaths. Therefore infrastructure related to solid waste, coastal structures, and aerodromes and fixed assets have been excluded from this benchmark.

Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Capital expenditure excludes vested assets.



### DEBT SERVICING BENCHMARK

The following graph displays Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

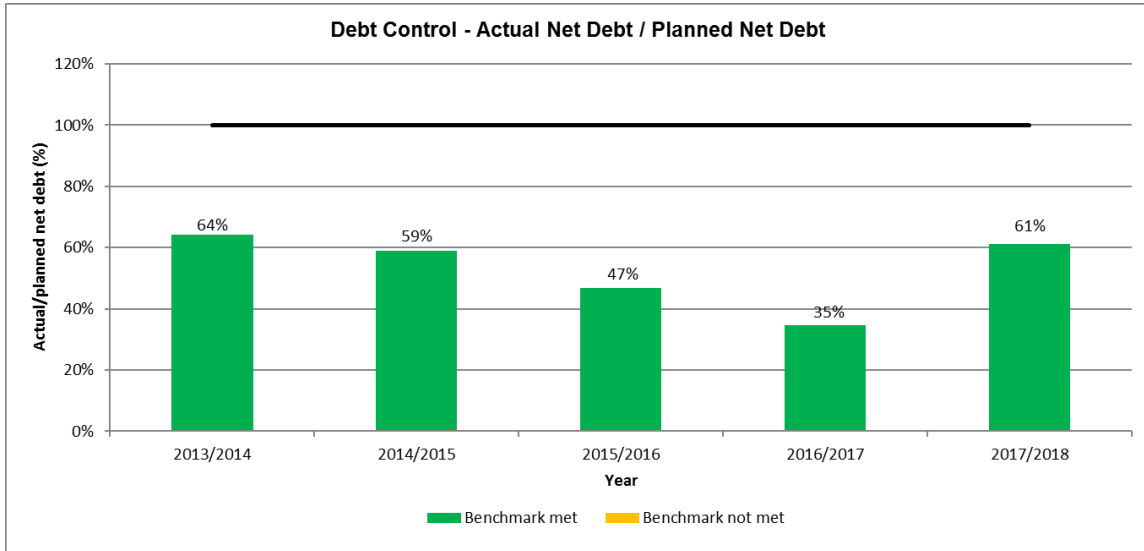


Because Statistics New Zealand projects Council's population will grow faster than the national population growth rate, it meets the debt servicing benchmark if its' borrowing costs equal or are less than 10% of its revenue.

### DEBT CONTROL BENCHMARK

The following graph displays Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

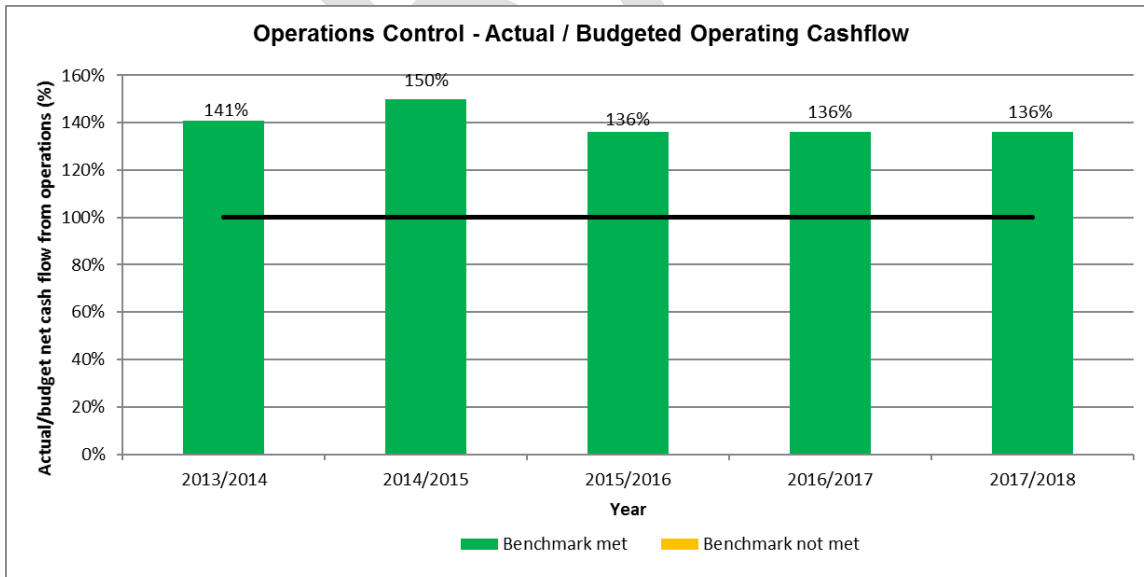
Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



### OPERATIONS CONTROL BENCHMARK

This graph displays Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



## NOTE 40. RATING BASE AND INSURANCE OF ASSETS

The Local Government Act 2002 was amended early August 2014 and requires information on Council's rating base and insurance of assets.

### RATING BASE INFORMATION

With regards to Clause 30A of the Local Government Act 2002 we disclose the following information regarding the rating base as at 30 June 2017 (the preceding year as required by the Act).

Rating Unit info as at 30 June 2017:

	Count	Land Value	Capital value
Non rateable 100%	1,078	379,267,750	409,703,150
Non rateable- services only	240	117,087,000	332,647,500
<b>Total non-rateable</b>	<b>1,318</b>	<b>496,354,750</b>	<b>742,350,650</b>
Rateable	22,988	7,287,777,850	13,693,437,650
<b>Total rating units</b>	<b>24,306</b>	<b>7,784,132,600</b>	<b>14,435,788,300</b>

### INSURANCE OF ASSETS

With regards to Clause 31A of the Local Government Act 2002 we disclose the following information regarding the insurance of assets as at 30 June 2018.

The cost of the Canterbury earthquakes has highlighted the importance of good risk management and the part insurance and/or risk financing plays when it comes to rebuilding public assets. In many instances, councils can provide services in the future only through the continuing use of their assets. Public entities have had to think carefully about how they are managing their risks and how they are using the insurance and risk finance options available to them.

### WATER, WASTEWATER, STORMWATER, RIVERS, REFUSE, AERODROMES, PORTS AND COASTAL ASSETS

These activities have a total book value of \$499,392,000. Repairs to these assets following a significant event are covered 40% through Aon with a large deductible, with the remaining 60% being funded by Central Government. Council currently has insurance cover for a \$125 million catastrophic disaster event. Council has a rivers disaster fund and a general disaster fund to cover the deductible or Council's 40% share if the event is lower than the deductible. The value of the general disaster fund as at 30 June 2018 is \$3,886,000 (2016/2017 \$3,379,000), and the rivers disaster fund is now \$0 (2016/2017 \$1.109 million) after the fund was used for Disaster Events.

### ROADING AND FOOTPATH ASSETS

These activities have a total book value of \$712,367,000 (including land under roads). For this activity of assets, Council would however receive a minimum of 51% subsidy from the NZTA for subsidised roading assets, with the remaining portion of the loss, and non-subsidised assets, to be funded through the general disaster fund and loan funding.

### LAND, BUILDINGS, PLANT AND EQUIPMENT, AND OTHER ASSETS

This activity has a total asset book value of \$252,772,000.

Assets are insured for reinstatement value or indemnity value as per the most current valuation for assets listed in the Statement of Property Insured, with limits of indemnity of \$2,000,000 for subsidence.

Residential property (material damage) at most recent valuation for assets listed in the Statement of Property Insured, with limits of indemnity of \$2,000,000 for capital additions, construction/alterations of \$2,000,000, landslip \$2,000,000 and subsidence of \$2,000,000.

The harbourmaster boat is insured for \$321,000.

### VEHICLES

This activity has a total asset book value for insurance purposes of \$725,000 (2017: \$762,000). All vehicles are insured for market value or replacement value (if vehicle is less than 12 months old).

### SELF-INSURANCE FUND

### APPENDICES

Council has a self-insurance fund for assets that are uneconomic to insure. However, under the new Top of the South collective, the deductibles have decreased dramatically. The value of this fund as at 30 June 2018 is \$1,024,000 (2016/17 \$1,024,000) and is now used to cover deductibles, excesses, and small assets not on the material damage.

## NOTE 41. COMMITMENTS

As at 30 June 2018

### CONTRACTUAL COMMITMENTS

These are commitments for which a formal contract has been entered at 30 June 2018.

2016/2017 \$(000's)		2017/2018 \$(000's)
973	Utilities Maintenance	-
3,722	Rivers	-
22,328	Transportation	6,712
18,572	Solid Waste	566
938	Water Supply	4,101
3,292	Wastewater	5,600
7,723	Stormwater	12,349
-	Land & Buildings	767
-	Vehicles	37
3,581	Parks & Reserves	-
<b>61,129</b>		<b>30,132</b>

These commitments are based on the legal commitment outstanding under contracts. They do not take into account any additional work required due to emergency events or any adjustments to costs based inflation.

### 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 24 months. The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows:

2016/17 \$(000's)		2017/18 \$(000's)
20	No later than one year	20
20	Later than one year, no later than two years	15
26	Later than two years, not later than five years	11
<b>66</b>		<b>46</b>

## NOTE 41. COMMITMENTS

As at 30 June 2018

### A. GUARANTEE – NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

Tasman District Council is a guarantor 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 30 local authority shareholders and 14 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$1.866 million. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Tasman District Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2018, NZLGFA had borrowings totalling \$8,272 billion (2017: 7.946 billion).

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.

### B. OTHER CONTINGENT LIABILITIES

Council has contingent liabilities of \$Nil (30 June 2017: \$Nil). Council has no contingent claims against other parties (30 June 2017: Nil).

One active claim has been lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2018 (June 2017: five active claims). This relates to weather tightness issues of homes in the Tasman District and name Tasman District Council as well as other parties. One claim was settled during the 2017/2018 financial year. For the active claim, eligibility has not yet been determined. Council is unable to assess its exposure to the unsettled 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 no contingent liability claims in 2018 (2017: 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.

In April 2013, the Ministry of Education (MOE) initiated High Court proceedings against Carter Holt Harvey (CHH) and others alleging inherent defects in the cladding sheets and cladding systems manufactured and prepared by CHH. Subsequently, in December 2016, CHH commenced third party proceedings against 48 Councils, including Tasman District Council alleging a breach of duty in the processing of building consents, undertaking building inspections and issuing Code Compliance Certificates. The Councils have applied for orders setting aside and striking out CHH's claims against them. The MOE's claim against CHH is for 833 school buildings, 2 of which are located within Tasman District. At present there is insufficient information to conclude on potential liability and claim quantum, if any.

RiskPool provides public liability and professional indemnity insurance for its members. The Council was a member of RiskPool until 1 July 2016. 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.

## APPENDICES

Council is required to undertake seismic assessments of its buildings under its Earthquake Prone Buildings Policy prepared under the Building Act 2004. These assessments are in two parts, firstly Initial Evaluation Procedures (IEPs) are made and if the results show that a building may be earthquake prone, then a further Detailed Engineering Assessment (DEA) is made. As at 30 June 2018, all required assessments have now been completed and strengthening works actioned where required. Good progress has been achieved with offices and public buildings having either been upgraded or their maximum occupancies reclassified to meet the standards. A further seven buildings are being assessed. Council has a budget of \$227,000 for this work.

#### **C. OTHER CONTINGENT ASSETS**

2018: \$Nil. (2017: \$Nil)

#### **D. ASSOCIATES CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

At balance date Nelson Airport Limited was in discussion with the lead terminal development contractor regarding price variations on the development project. The parties remain in discussion at publishing date regarding any adjustment.



## NOTE 42. RECLASSIFICATIONS

The table below shows reclassifications from the audited 2016/17 financial statements to the figures presented in these financial statements to enhance consistency.

RECLASSIFICATIONS	Audited 2016/17 \$(000's)	Reclassified \$(000's)	Reclassified 2016/17 \$(000's)
<b>REVENUE</b>			
Fees and charges	16,981	(1,677)	15,304
Other revenue	13,977	1,197	15,174
<b>Increase/ (decrease) revenue</b>		<b>(480)</b>	
<b>EXPENSE</b>			
Employee related expense	20,558	(38)	20,520
Other expenses	46,443	(22,322)	24,122
Maintenance	-	21,879	21,879
<b>Increase/ (decrease) expense</b>		<b>(480)</b>	
<b>Total impact on surplus</b>		<b>-</b>	
<b>CURRENT ASSETS</b>			
Trade and other receivables	13,983	(606)	13,377
<b>NON CURRENT ASSETS</b>			
Other financial assets	6,591	(138)	6,453
Trade and other receivables	-	801	801
<b>Increase/ (decrease) assets</b>		<b>57</b>	
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13,041	57	13,098
<b>Increase/ (decrease) liabilities</b>		<b>57</b>	
<b>Total impact on net assets</b>		<b>-</b>	

Commentary on significant reclassifications:

- Reclassified rentals and recoveries from 'fees' and charges' to 'other revenue';
- Presenting debtors as non-current as do not fall due within 12 months;
- Presenting maintenance costs separately from other expense; and
- Additional elimination of internal Council revenue and expenses.

## Note 43. Standards, amendments, and interpretations issued but not yet effective

Standard	Effective Date	Brief outline
Approved Budget (Amendments to PBE IPSAS 1)	The amending standard is effective for annual periods beginning on or after <b>1 January 2018</b> .	<p>The use of the term “approved budget” in PBE IPSAS 1 <i>Presentation of Financial Statements</i> has caused some confusion in practice. This amending standard amends PBE IPSAS 1 by removing the reference to the term “approved budget” and now refers to general purpose prospective financial statements.</p> <p>This amending standard also specifies where entities may present comparisons between prospective and historical financial statements.</p> <p>Public sector entities may present this either on the face of the financial statements or as a separate statement.</p> <p><b>Expected impact on Tasman District Council:</b> Council has not yet assessed the implications</p>
PBE IPSAS 34 PBE IPSAS 35 PBE IPSAS 36 PBE IPSAS 37 PBE IPSAS 38	Mandatory for annual periods beginning on or after <b>1 January 2019</b> .	<p>PBE Standards on interests in other entities:</p> <ul style="list-style-type: none"> <li>● PBE IPSAS 34 <i>Separate Financial Statements</i></li> <li>● PBE IPSAS 35 <i>Consolidated Financial Statements</i></li> <li>● PBE IPSAS 36 <i>Investments in Associates and Joint Ventures</i></li> <li>● PBE IPSAS 37 <i>Joint Arrangements</i></li> <li>● PBE IPSAS 38 <i>Disclosure of Interests in Other Entities</i></li> </ul> <p>These standards were issued to incorporate the equivalent standards issued by the IPSASB into the PBE Standards, which reflect the reforms introduced by IFRS 10, 11 and 12 in the for-profit sector in 2011.</p> <p>These standards replace PBE IPSAS 6 (both the public sector and NFP versions), PBE IPSAS 7 and PBE IPSAS 8.</p> <p>The new standards:</p> <ul style="list-style-type: none"> <li>● Introduce an amended definition of control and extensive guidance on control (and continues to require all controlled entities to be consolidated in the controlling entity’s financial statements, except as noted below).</li> <li>● Introduce the concept of “investment entity”, exempts investment entities from consolidating controlled entities, and requires investment entities to recognise controlled entities at fair value through surplus or deficit instead.</li> <li>● Introduce a new classification of joint arrangements, set out the accounting requirements for each type of arrangement (joint operations and joint ventures), and remove the option of using the proportionate consolidation method.</li> <li>● Require PBEs to disclose information on their interests in other entities, including some additional disclosures that are not currently required under PBE IPSAS 6, 7 and 8.</li> </ul> <p>Early application of these standards is permitted, as long as all the standards are applied at the same time.</p> <p><b>Expected impact on Tasman District Council:</b> Council has not yet assessed the implications.</p>

<p>Impairment of Revalued Assets (Amendments to PBE IPSASs 21 and 26)</p>	<p>Applies for periods beginning on or after <b>1 January 2019</b>.</p>	<p>This standard amends PBE IPSAS 21 Impairment of Non-Cash-Generating Assets and PBE IPSAS 26 Impairment of Cash-Generating Assets to bring assets measured at revalued amounts within the scope of the standards.</p> <p>Amendments are also made to PBE IPSAS 17 Property, Plant and Equipment and PBE IPSAS 31 Intangible Assets as a result of the amendments to PBE IPSASs 21 and 26.</p> <p>Previously there was some uncertainty about the requirements relating to the recognition of an impairment loss when an item of revalued property, plant and equipment was damaged or no longer available for use. The issue was whether the entire class of assets needed to be revalued when an impairment loss on damaged/unusable property, plant and equipment was recognised.</p> <p>This standard removes the uncertainty by including revalued property, plant and equipment and revalued intangible assets in the scope of the impairment standards.</p> <p><b>Expected impact on Tasman District Council:</b> Not expected to have a material impact since Council takes into account potential implications of impairments for all assets, including revalued assets, annually.</p>
<p>PBE IFRS 9 <i>Financial Instruments</i></p>	<p>Mandatory for annual periods beginning on or after <b>1 January 2021</b>.</p>	<p>PBE IPSAS 9 introduces changes introduced by NZ IFRS in the for-profit sector. The standard replaces most of the requirements of PBE IPSAS 29.</p> <p><b>Classification and measurement of financial assets</b></p> <p>These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of PBE IPSAS 29. The Standard introduces a number of changes to the accounting for financial assets, the most significant of which includes:</p> <ul style="list-style-type: none"> <li>• two categories for financial assets being amortised cost or fair value;</li> <li>• removal of the requirement to separate embedded derivatives in financial assets;</li> <li>• strict requirements to determine which financial assets can be classified as amortised cost or fair value. Financial assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity's purpose for holding the instrument is to collect the contractual cash flows;</li> <li>• an option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on derecognition;</li> <li>• reclassifications between amortised cost and fair value no longer permitted unless the entity's business model for holding the asset changes; and</li> <li>• changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income.</li> </ul> <p><b>Expected impact on Tasman District Council:</b> Council has not yet assessed the implications.</p>
		<p><b>Classification and measurement of financial liabilities</b></p> <p>For financial liabilities designated as fair value through profit or loss using the fair value option, the amount of change in fair value is accounted for as follows:</p>

		<ul style="list-style-type: none"> <li>• The change attributable to changes in credit risk are presented in other comprehensive income (OCI)</li> <li>• The remaining change is presented in profit or loss</li> </ul> <p>If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</p> <p><b>Impairment</b></p> <p>The impairments requirements are based on expected credit loss (ECL) model that replaces the IAS 39 incurred cost model. This model applies to debt instruments accounted for at amortised cost or at fair value through other comprehensive income.</p> <p>Entities are generally required to recognise either 12 months or lifetime ECL, depending on whether there has been significant increase in credit risk since initial recognition. For some trade receivables, the simplified approach may be applied whereby the lifetime expected credit losses are always recognised.</p> <p><b>Expected impact on Tasman District Council:</b> Council has not yet assessed the implications.</p>
PBE FRS 48 <i>Service Performance Reporting</i>	Mandatory for annual periods beginning on or after <b>1 January 2021</b> .	<p>There has been no PBE Standard dealing solely with service performance reporting. This Standard establishes new requirements for public benefit entities (PBEs) to select and present service performance information.</p> <p><b>Expected impact on Tasman District Council:</b> Council has not yet assessed the implications.</p>

PART 7:  
APPENDICES

DRAFT

# APPENDIX ONE – APPLICATIONS PROCESSED

## ENVIRONMENT AND PLANNING DEPARTMENT

APPLICATIONS PROCESSED 1 JULY 2017 TO 30 JUNE 2018

### 1. RESOURCE MANAGEMENT ACT

TYPE OF CONSENT	OUTCOME 2016/2017	OUTCOMES
Land use	558	610
Subdivision	110	140
Title Plans	81	124
Completion of certificates	87	113
Certificates of compliance	4	1
Water	64	70
Discharge	129	157
Coastal	13	26
Resource consent transfers	205	201

### 2. BUILDING ACT

TYPE OF CONSENT	NO. ISSUED 2016/17	VALUE 2016/2017	NO. ISSUED 2017/18	VALUE 2017/2018
Dwelling	381	\$112.7m	428	136.5m
Commercial	61	\$27.1m	56	37.9m
Other	1,122	\$36.6m	1036	32.5m
	1,564	\$176.4m	1,520	206.9m

### 3. LICENCES

TYPE	NO.CERTIFICATES ISSUED 2016/2017	NO.CERTIFICATES ISSUED 2017/2018
Food premises	358	221
Hairdressers	38	41
Campgrounds	39	39
Hawkers/mobile shops	61	52
Others*	37	8
Commercial vessel operators	31	30

#### 4. SALE OF ALCOHOL

TYPE OF LICENCE	NO.OF LICENCES ISSUED 2016/2017	NO.OF LICENCES ISSUED 2017/2018
Manager's certificate	302	265
On and off licences	93	79
Club licence	10	10
Special licence	53	69
Temporary authority order	12	13

#### 5. OTHER

TYPE	2016/2017	2017/2018
Land Information Memorandum	759	771
Complaints received	2,389	2562
Abatement Notices issued	54	53
Infringement Notices issued	68	49
Enforcement orders	2	0
Excessive noise directions	141	151

\*As a result of law changes, food stalls are now being reported along with all food premises

# APPENDIX TWO – COUNCIL’S COMMITTEES, RESPONSIBILITIES AND PORTFOLIOS

## COUNCIL STANDING COMMITTEES

There are three standing Committees of Council, each having delegated powers to handle their affairs. All Councillors have membership on these committees. Mayor Kempthorne is an ex officio member of all committees. Committees normally meet six-weekly.

### ENGINEERING SERVICES COMMITTEE

This Committee has responsibility for the governance, approval, implementation and monitoring policies, plans and bylaws in relation to the roads walkways, cycleways, bridges, water supplies, wastewater treatment and disposal, refuse collection/disposal and waste minimisation, coastal protection, stormwater collection and disposal, some ports/wharves and boat ramps (excludes Port Tarakohe), rivers and waterways and public transport. This Committee is chaired by Cr S G Bryant.

### COMMUNITY DEVELOPMENT COMMITTEE

This Committee has responsibility the planning, reviewing and implementation of functions, duties, and powers in respect of community recreation and development, parks and reserves, Reserve Financial Contributions, sports grounds, public halls, elections, libraries, walkways/cycleways, camping grounds, cemeteries, arts and culture, swimming pools, Special Purpose Committees (Halls and Reserves), community health issues, friendly towns, protected trees, community engagement and consultation, strategic policy, environmental education, community and cultural facilities, Council grants, Digital Enablement Strategy, public conveniences, community housing and customer services. This Committee is chaired by Cr P L G Canton.

### ENVIRONMENT AND PLANNING COMMITTEE

This Committee has responsibility for ensure Council meets all legislative compliance requirements and to govern, develop, approve and ensure the implementation and monitoring of policies, plans and bylaws in relation to resource management, policy, consents, environmental health, building control, and sale and supply of alcohol, bylaws and licenses, biosecurity, maritime safety, rural fire, hazardous substances and new organisms, animal control, information and investigations, parking control, climate change and Civil Defence and emergency Management.

This Committee is chaired by Cr T B King.

## COUNCIL COMMITTEES

### AUDIT & RISK

(Reporting to Council) – Mayor, Crs D J Ogilvie (Chair), S R Brown, P F Sangster, M J Greening, T B King, plus G Naylor (appointed member).

### CEO REVIEW

(Reporting to Council) – Mayor R G Kempthorne (Chair), Crs S R Brown and T B King.

### COMMERCIAL

(Reporting to Council) –

Crs P F Sangster (Chair), T B King, D E McNamara, D J Ogilvie and D M A Wensley, plus three appointed members –R N Taylor, A D Dunn and one vacancy.

## COUNCIL SUBCOMMITTEES

In addition to the above 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. Their level of autonomy varies depending on the specific delegations with some able to make decisions in their own right whilst others make recommendations to their parent committee or full Council. The Mayor is ex officio on all subcommittees. The current subcommittees are:

### COMMUNITY AWARDS

(Reporting to Community Development Committee) –

Mayor R G Kempthorne

Crs P L G Canton (Chair), A C Turley, P H W Hawkes and P F Sangster.



## COMMUNITY GRANTS

(Reporting to Community Development Committee) –

Mayor R G Kempthorne

Crs P L G Canton (Chair), S G Bryant, P F Sangster, A C Turley and D M A Wensley.

## CREATIVE COMMUNITIES

(Reporting to Community Development)

Crs P L G Canton, A C Turley and D M A Wensley. Plus community representatives.

## OTHER COMMITTEES

The following two committees operate under separate legislation, and their membership includes both Council and external members. The Mayor is not ex-officio on either committee.

### TASMAN REGIONAL TRANSPORT COMMITTEE

This Committee operates under the Land Transport Act 2003 and is responsible for preparing for Tasman District a regional land transport strategy, a regional land transport programme, a regional fuel tax scheme, and any advice and assistance Council may request in relation to its transport responsibilities. The Committee is chaired by Cr S G Bryant.

### DISTRICT LICENSING COMMITTEE

This Committee operates under the Sale and Supply of Alcohol Act 2012 and is responsible for determining applications for licences to sell alcohol. These could be On or Off Licences, Special Licences for events, Managers Certificates for people working in licensed premises.

The Committee is chaired by Cr D J Ogilvie.

## JOINT COMMITTEES OF NELSON AND TASMAN COUNCILS

These are committees made up of representatives of both Tasman District Council and Nelson City Council. The Tasman District Council members of the committees are listed below.

### JOINT SHAREHOLDERS

Mayor R G Kempthorne

Crs S G Bryant, P L G Canton, T B King, D J Ogilvie and T A Tuffnell.

### NELSON REGIONAL SEWERAGE BUSINESS UNIT (NRSBU)

Cr C M (Kit) Maling, Cr D E McNamara

Independent member Michael Higgins (for continuity)

### CIVIL DEFENCE EMERGENCY MANAGEMENT

Mayor R G Kempthorne and Cr T B King

### REGIONAL PEST MANAGEMENT

Crs S G Bryant, S R Brown and D E McNamara

### LAND DEVELOPMENT MANUAL STEERING

Crs S G Bryant and T B King

### SAXTON FIELD COMMITTEE

Crs T B King and C M (Kit) Maling

### NELSON TASMAN JOINT LANDFILL COMMITTEE

Crs S G Bryant and C M (Kit) Maling

## COUNCIL REPRESENTATIVES AND APPOINTMENTS

### ACCESSIBILITY FOR ALL

Cr D M A Wensley.

### FRIENDLY TOWNS

Richmond representative – Cr T A Tuffnell for Fujimi Machi. Motueka representative – Cr P L G Canton for Kiyosato, Golden Bay representative – Cr P F Sangster for Grootegast.

### IWI LIAISON

Mayor R G Kempthorne and Chief Executive.

### LOCAL GOVERNMENT NEW ZEALAND

### Regional Sector Group representatives

## APPENDICES – APPENDIX TWO

Mayor R G Kempthorne and Chief Executive.

**Rural and Provincial Sector representatives**

Mayor R G Kempthorne and Cr T B King as alternate, Community Development Manager.

**Zone 5 representatives**

Mayor R G Kempthorne and Chief Executive.

**MAPUA WATER AND WASTEWATER BUSINESS CASE WORKING GROUP**

Crs S G Bryant, T B King and D E McNamara.

**MAPUA WATERFRONT ADVISORY COMMITTEE**

Cr T B King.

**MOTUEKA AIRPORT ADVISORY GROUP**

Cr P L G Canton/Cr P H W Hawkes (as alternate).

**NATIVE HABITATS TASMAN**

Cr D J Ogilvie and Cr S R Brown

**NELSON AIRPORT LIMITED**

Council Director Cr M J Greening.

**NELSON TASMAN BUSINESS TRUST**

Crs T A Tuffnell and C M (Kit) Maling as independent members.

**NELSON-TASMAN CYCLE TRUST WORKING GROUP**

Cr P L G Canton.

**PORT NELSON LIMITED**

Council Director Cr T B King.

**PORT TARAKOHE ADVISORY GROUP**

Cr T B King (chair), Cr P F Sangster and Cr S R Brown

**POSITIVE AGEING FORUM**

Cr D M A Wensley.

**REGIONAL TB FREE**

Cr S R Brown.

**RICHMOND BRIDGE AND CROQUET**

Cr M J Greening.

**RICHMOND TRANSPORTATION BUSINESS CASE WORKING GROUP**

Crs S G Bryant, M J Greening and T A Tuffnell

**TAKAKA AIRPORT ADVISORY GROUP**

Cr P F Sangster

**TASMAN BAYS HERITAGE TRUST APPOINTMENTS COMMITTEE**

Mayor R G Kempthorne and Chief Executive.

**TASMAN ENVIRONMENTAL TRUST LIAISON**

Cr T A Tuffnell (as Council Liaison)

**TASMAN REGIONAL SPORTS TRUST BOARD**

Mayor R G Kempthorne.

**TASMAN YOUTH COUNCIL**

Crs P L G Canton and A C Turley.

**TENDERS PANEL**

Crs S G Bryant, C M (Kit) Maling and T A Tuffnell. Chief Executive.

# APPENDIX THREE-COMMUNITY BOARDS

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 their 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. Both Community Boards have ward councillors appointed.

## MEMBERSHIP OF THE GOLDEN BAY COMMUNITY BOARD:



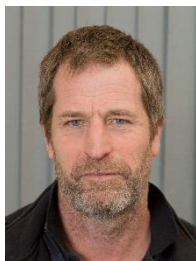
*Abbie Langford  
(Chair)*



*Grant Knowles  
(Deputy Chair),*



*Averill Grant*



*David Gowland*



*Cr Sue Brown*



*Cr Paul Sangster*

## MEMBERSHIP OF THE MOTUEKA COMMUNITY BOARD:



*Brent Maru (Chair).*



*Richard Horrell (dep),*



*Barry Dowler*



*Claire Hutt*



*Cr Peter Canton*



*Cr Paul Hawkes*



*Cr David Ogilvie*

# APPENDIX FOUR – MANAGEMENT STAFF

## CHIEF EXECUTIVE OFFICER

Janine Dowding

## COMMUNITY DEVELOPMENT MANAGER

Susan Edwards

## CORPORATE SERVICES MANAGER

Mike Drummond

## ENGINEERING SERVICES MANAGER

Richard Kirby

## ENVIRONMENT AND PLANNING MANAGER

Dennis Bush-King

## OTHER

### BANKERS

ASB Bank Ltd,  
Queen Street Richmond

### SOLICITORS

Fletcher Vautier Moore  
265a Queen Street, Richmond

### AUDITORS

Audit New Zealand, on behalf of the Auditor-General

# APPENDIX FIVE – REPORT ON STATEMENT ON FOSTERING MĀORI PARTICIPATION IN DECISION MAKING

## STATEMENT ON FOSTERING MĀORI PARTICIPATION IN COUNCIL DECISION MAKING

### PURPOSE

This statement outlined the steps Council proposed to take to foster Māori capacity to contribute to Council decision-making processes over the period of our LTP 2015-2025, as required by Schedule 10(5) of the Local Government Act 2002.

### BACKGROUND

Council is committed to improving its working relationship with Māori people in our community. We recognise the wealth of special values that tangata whenua hold for the places, the resources, the history and the long-term sustainability of Tasman District. In order to make appropriate decisions, Council must consider the special values tangata whenua hold for these places. As part of our daily work, staff endeavour to consult and engage with Māori on a regular basis. In certain cases, these processes are required by legislation such as the Resource Management Act 1991 and Local Government Act 2002. However, Council has committed to finding opportunities above and beyond its legislative responsibilities to recognise the spirit of partnership inherent in the Treaty of Waitangi and settlement legislation.

### MĀORI PARTICIPATION IN DECISION- MAKING PROCESSES

Council recognises its obligations to Māori under various enactments, and has in place mechanisms to provide for their input into decision-making. As required by Schedule 10, Part 3, Clause 35 of the Local Government Act 2002, Council is required to report on how it has enabled Māori to contribute to Council decision-making. Council acknowledges manawhenua iwi, meaning those who have customary and ancestral authority over the whenua (land) in Tasman District. However, Council notes that it does not have the mandate nor expertise to determine who manawhenua iwi are.

Over the past year, our Kaumatua Andy Joseph has assisted the Mayor and Council on numerous official occasions providing cultural support for citizenship ceremonies and welcoming dignitaries. Andy has also provided cultural support for the organisation as a whole and has supported our community groups to recognise the tikanga and kawa of the haukāinga (home people).

This year we also welcomed our new Chief Executive Officer Janine Dowding into the District with pōwhiri held at Whakatū Marae, Te Āwhina Marae, and Onetahua Marae. The pōwhiri occurred over May and June 2018. We were kindly hosted by tangata whenua of each marae and supported by staff from Te Puni Kōkiri and the Inland Revenue Department. A number of Councillors, senior managers, Council staff, and staff from other government agencies attended the pōwhiri to support Janine.

We continue to attend regular liaison meetings with Iwi Trusts and Māori groups in the community, including regular attendance at the Manawhenua ki Mohua meetings, where a Community Board member also attends those meetings. We are waiting to form partnership agreements and memoranda with all nine iwi within our District as discussed below. Meeting and hui attendance enables discussion on our work programmes, 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. Several targeted operational agreements are in place, including for freshwater policy and cultural heritage processes. We also have in place arrangements with Iwi Trusts regarding the dissemination and review of resource management consent applications, and have been actively working with the various iwi concerned with regard to planning issues.

In other areas across Council, Māori representatives have been engaged in freshwater planning through the Catchment Management Planning (urban) and Takaka Freshwater projects. We have been working closely with Manawhenua ki Mohua to ensure that iwi aspirations for the management of the Takaka catchment are integrated into the planning process and development of the Tasman Resource Management Plan rules for freshwater. We have in place a partnership agreement and contract with Manawhenua ki Mohua for assisting the work of the Takaka Freshwater and Land Advisory Group (FLAG) and have received a mātauranga Māori report reviewing the FLAG work and outlining key principles for applying to the wider management of freshwater.

Engagement with iwi has also been initiated or undertaken for various other environmental policy projects, including the Nelson-Tasman Land Development Manual and Erosion and Sediment Control Guidelines; Golden Bay Landscapes project; Richmond Housing Choice Plan Change, omnibus plan change and growth planning. We have also initiated an iwi policy

working group as a forum for council to work with iwi on environmental policy matters, which is expected to be used for the Regional Policy Statement and Plan reviews coming up.

Over the last year we also approached iwi to provide input into the development of the Mapua Waterfront Area Masterplan. With a history of Māori occupation in the area, Mapua waterfront is an important cultural site of significance for Māori. An iwi representative also sat on the Hearing Panel for the submission and hearing process for this masterplan. More recently we have established a working group that includes iwi representatives and community members to help implement the Masterplan.

Iwi have also been included in the planning and decision-making stages for the review of the reserve classifications for the development of the Motueka Reserve Management Plan with hui held with a number of the Iwi Trusts and Wakatū Incorporated. An iwi representative was appointed to the Hearing Panel to contribute their knowledge and expertise in the decision making process.

We are still committed to progressing the development of a strategic relationship framework with the iwi chairs of Te Taihū o Te Waka a Māui. Discussions with the Trust Chairs will continue over the coming year as we test what is the best mechanism for this relationship including consideration of Mana Whakahono a Rohe agreements as set out under the Resource Management Act. We are also committed to working towards developing operational MOUs with each of the iwi trusts.

In addition to pursuing our strategic relationship with iwi, we also wish to increase our internal capability in terms of understanding and working with Māori. We are currently in the process of establishing a case to contract in external expertise to help us in that area. We have also had the benefit of being able to rely on the expertise of Nelson City Council's Kaihautū officer to help us in certain circumstances liaise with iwi.

Our internal staff Te Ao Māori Group has continued to meet regularly over the past year, with a focus on Council's work programmes and projects that are of interest to and affect Māori, as well as improving staff understanding of local iwi whakapapa, tikanga and kawa. The purpose of the group is to ensure our interactions and arrangements are coordinated and consistent, and to improve iwi participation in Council projects. The Te Ao Māori Group has also been instrumental in working towards implementing programmes to increase staff knowledge of Māori culture and our ability to work constructively with Māori. This year we have arranged for Te Ataarangi to deliver Te Reo Māori classes, introduced kapa haka sessions for interested staff and scheduled Treaty of Waitangi training for Councillors and staff to take place in September 2018.

Council continues to sit on the iwi and multiagency Regional Intersectoral Forum (RIF) that includes four pou, environmental, cultural, social and economic. We contribute to the Environmental Pou (subgroup) and the Cultural Pou. As part of the Environmental Pou work we are involved in supporting the Kaitiaki Whenua programme to enhance the capacity of Māori to engage and participate in environmental outcomes using Rabbit Island/Moturoa as a pilot test case.

We are committed to improving and enhancing our relationships with Māori and we want to build strong ongoing relationships to aid the effective consideration of Te Ao Māori in all major Council decisions. We believe that working in partnership with Māori will create benefits for our whole community.

# APPENDIX SIX – 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:

## ANNUAL PLAN

A plan required by the Local Government Act 2002 to be produced by Council in the two intervening years between each three-yearly Long Term Plan (LTP). The main purpose of the Annual Plan is to identify any amendments and variations to the specific year of the base Long Term Plan.

## ANNUAL REPORT

Annual Reports are published following the end of each financial year which ends on 30 June. It is an audited account of whether Council completed its planned work programme. Any work not completed as planned is explained. The Annual Report is a key method for Council to be accountable to the community for its performance.

## ACTIVITY MANAGEMENT PLANS

Activity Management Plans (which are the 'new generation' of Asset Management Plans) describe the infrastructural assets and the activities undertaken by Council and outline the financial, management and technical practices to ensure the assets are maintained and developed to meet the requirements of the community over the long term. Activity Management Plans focus on the service that is delivered as well as the planned maintenance and replacement of physical assets.

## ASSOCIATE

An associate is an entity over which Tasman District Council has a significant influence and that is neither a subsidiary nor an interest in a joint venture.

## ASSUMPTIONS

Assumptions are the underlying premises made by Council that affect its financial planning for a specific activity, or for all Council activities. These are made clear so everyone can understand the basis for Council's financial planning, and form an opinion about how reasonable those assumptions are.

## 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 or the improvement or enlargement of assets beyond their original size and capacity.

## CAPITAL VALUE

Capital value is the value of the property including both the value of the land and any improvements (e.g. buildings) on the land.

## COMMUNITY

Community means everyone in Tasman District: individuals, businesses, local and central government, groups and organisations, Iwi, Māori, disabled, young, old, families, recent migrants and refugees, rural and urban residents.

## COMMUNITRAK™ SURVEY

The Communitrak™ Survey is the survey of residents' opinions that the Council has undertaken annually by an independent research agency.

## COMMUNITY OUTCOMES

Community outcomes are the priorities and aspirations identified by the Council that it aims to achieve in order to promote the present and future social, economic, environmental and cultural wellbeing of the community.

## CONSULTATION

Consultation is the dialogue that comes before decision-making. Consultation is an exchange of information, points of view and options for decisions between affected and interested people and the decision makers.

## COST OF SERVICES

The cost of services relate to the activity, not the organisational departments. The Local Government Act 2002 requires the LTP to be expressed by the 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.

## COUNCIL-CONTROLLED ORGANISATION

As defined by Section 6 of the Local Government Act 2002, a company under the control of local authorities through their:

- Shareholding of 50 percent or more.
- Voting rights of 50 percent or more; or
- Right to appoint 50 percent or more of the directors.

#### **DEPRECIATION**

Depreciation is a measure of the wearing out, consumption or loss of value of an asset over time.

#### **EXCHANGE REVENUE**

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to the other party in exchange.

#### **FINANCIAL YEAR**

Council's financial year runs from 1 July to 30 June the following year.

#### **GENERAL RATE**

A general rate is a district wide rate through which all ratepayers contribute to a range of Council activities and is based on the capital value of ratepayer's properties.

#### **GROUPS OF ACTIVITIES**

Groups of activities are the services, projects or goods produced by Council. There are 13 broad groups of all of Council's services and facilities, each with common elements. For example Community Facilities and Parks is a group of activities and includes services such as Reserves, Libraries and Community Halls.

#### **INFRASTRUCTURE**

Networks that are essential to running a district, including the roading network, water supply and wastewater and stormwater networks.

#### **INFRASTRUCTURE ASSETS**

These are assets required to provide essential services like water, stormwater, wastewater and roading. They also include associated assets such as pump stations, treatment plants, street lighting and bridges.

#### **LEVELS OF SERVICES**

The standard to which services are provided, such as speed of response times to information requests or the standard of the stormwater drainage system that prevent incidents of surface water flooding. It is what the Council will provide.

#### **LIDAR (LIGHT DETECTION AND RANGING)**

LiDAR is optical remote sensing technology that measures properties of scattered light to find range and/or other information of a distant target. The prevalent method to determine distance to an object or surface is to use laser pulses.

#### **LONG TERM PLAN (LTP)**

The Local Government Act 2002 requires Council to adopt a Long Term Plan (LTP). The LTP outlines Council's intentions over a 10 year period. The LTP requires extensive community consultation, the identification of community outcomes and priorities, and the establishment of monitoring and review mechanisms. The LTP referred to in this document is the Long Term Plan 2015-2025.

#### **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.

#### **NETWORK INFRASTRUCTURE**

See infrastructure assets.

#### **NON-EXCHANGE REVENUE**

A non-exchange transaction is a transaction where the reporting entity receives value from another entity without giving approximately equal value in exchange.

#### **OPERATING COSTS**

These expenses, which are included in the Statement of Comprehensive Revenue and Expense 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.

#### **PARK CHECK**

Park Check is based on a nationally developed questionnaire which is implemented by participating councils. The questionnaire asks park users a range of questions about the parks and their experiences. The results of the questionnaires are collated at the national level and the information is then made available to the councils.

#### **APPENDICES – APPENDIX SIX**



## **PERFORMANCE TARGETS**

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

## **REVENUE**

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

## **SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT**

Where targeted rates are calculated on each separately used or inhabited part of a rating unit the following definition will apply:

Any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayer's household, having a right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

## **SOLID WASTE**

Waste products of non-liquid or gaseous nature (for example, building materials, used packaging, household rubbish).

## **STORMWATER**

Water that is discharged during rain and run-off from hard surfaces such as roads.

## **SURPLUS**

A surplus is the result of revenue being greater than operating costs for the year.

## **SUSTAINABLE DEVELOPMENT**

"Development which meets the needs of the present without compromising the ability of future generations to meet their own needs" (from the Sustainable Development for New Zealand Programme of Action, Department of Prime Minister and Cabinet, January 2003).

## **TARGETED RATE**

A targeted rate is designed to fund a specific function or activity. It can be levied on specific categories of property (e.g. determined by a particular use or location) and it can be calculated in a variety of ways. It may also cover a distinct area of beneficiaries.

## **UNIFORM ANNUAL GENERAL CHARGE (UAGC)**

A UAGC is a portion of the general rate collected as a fixed charge per rateable property. It is deemed that the properties receive equal benefit for services charged regardless of the rateable value of the properties, e.g. use of parks, reserves and libraries.

## **UNITARY AUTHORITY**

Tasman District Council is a unitary authority, which means we carry out the functions of both a regional council and a territorial authority.

## **WASTEWATER**

Wastewater is the liquid waste from homes (including toilet, bathroom and kitchen wastewater products) and businesses.

## **YARDSTICK™**

Yardstick™ is an international parks benchmarking initiative. It involves council parks departments participating in an annual self-assessment survey. Information collected includes levels of service, financial information, best practice, asset management and policy and planning. The information is collated at the national level and made available to the councils. Over half of the councils in New Zealand are members, as is the Department of Conservation.

# 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”.

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

**Street Address** 189 Queen Street, Richmond 7020

**Postal Address** Private Bag 4, Richmond 7050 **Telephone** 03 543 8400

**Fax** 03 543 9524

**Email** [info@tasman.govt.nz](mailto:info@tasman.govt.nz)

## MOTUEKA OFFICE

**Street Address** 7 Hickmott Place, Motueka 7120

**Postal Address** PO Box 123, Motueka 7143 **Telephone** 03 528 2022

**Fax** 03 528 9751

## GOLDEN BAY OFFICE

**Street Address** 78 Commercial Street, Takaka 7110

**Postal Address** PO Box 74, Takaka 7142 **Telephone** 03 525 0020

**Fax** 03 525 9972

## MURCHISON OFFICE

**Street Address** 92 Fairfax Street, Murchison 7007

**Postal Address** 92 Fairfax Street, Murchison 7007

**Telephone** 03 523 1013

**Fax** 03 523 101

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