

2.0 Our Activities

2.1 Introduction

In September 2007, WDC adopted a new output activity structure to better reflect the alignment between the activities undertaken by WDC with the four elements of community well-being: social, cultural, environmental and economic.

The new structure now comprises eleven significant activities, shown as follows:

Community Well-being		
Community (Social) and Cultural Sustainability	Environmental Sustainability	Economic Sustainability
Leadership	Solid Waste Management	Water Supply
Community Facilities	Stormwater	Land Transport
Community Development	Resource Management	Investments
Regulation and Safety	Sewerage	

The Cost of Service Statements for each group of activities have been presented to reflect the new structure.

2.2 Community and Cultural Sustainability

Why we provide this Group

The Community and Cultural Sustainability group of activities promote outcomes that focus on building and developing cohesive and functional communities in the Waitomo District.

Council provides a range of services and facilities to the various communities in the Waitomo District, in order to achieve this.

Activities within this Group

- Leadership
- Community Facilities
- Community Development
- Regulation and Safety

2.3 Leadership

What we do

This activity includes the preparation of strategic direction guiding policy development and financial decision making, and engagement with the community on matters of high significance.

There are three activities under this significant activity:

- Governance and Representation
- Strategic Planning and Policy Development
- Monitoring and Reporting

GOVERNANCE AND REPRESENTATION

The Governance Activity involves the provision of community leadership and "stewardship" of Council owned assets on behalf of the District through the Mayor's Office and the Council/Committee structure. The Mayor is elected "at large" by the District as a whole and chairs the meetings of full Council. The Mayor acts as the spokesperson for the decisions made by the elected Council and provides leadership.

The governance role entails setting of policy. Council policy is determined through a democratic decision making process, facilitated through a formal Council/committee structure. Composition of, representation on and delegations to Council committees is decided by the Council, usually after each triennial election.

In the interests of efficiency, and to provide separation between the Council's regulatory and non-regulatory roles, Council has established three committees for the current triennium, being the Hearings Committee, the Shareholder Representative Committee and the Investment Strategic Review Committee.

Communicating and consulting with the community is fundamental to Council's governance and representation role. Apart from the formal consultation required before certain decisions can be made, the trigger for the extent of consultation is determined by Council based on the extent to which the Council is already aware of the issues and interests of those affected by a particular proposal, having regard to the circumstances in which a decision is being made.

A fundamental role of the elected Council is to represent the views of its residents. Representation involves elected members being accessible to the community to receive, understand, and if need be, advocate the views or concerns of members of the public. Where appropriate, elected members may need to explain Council reasoning behind a particular decision or policy to those who might be interested or affected. Representation also includes representation of Council through membership on various Council and community organisations.

STRATEGIC PLANNING AND POLICY DEVELOPMENT

This activity involves carrying out the long term and annual planning for the District and producing plans which reflect the Council's role and level of involvement in helping to achieve the Community Outcomes. Balancing the interconnected strands of affordability, sustainability and

community well-being is at the heart of strategic planning and policy development.

Establishing a shared vision for the District starts with working with the community and community stakeholders to establish a set of outcomes for the future well-being. Councils strategy for its role in contributing towards achieving the vision, and its subsequent policies, are guided by this vision.

The activity also involves planning and developing strategy around urban and district growth to ensure growth is sustainable and infrastructural planning for the future can be carried out with certainty within clearly defined boundaries. Reviews of the Council's District Plan are included in this activity to ensure sustainable land use and development and to avoid, remedy or mitigate adverse effects on the environment.

MONITORING AND REPORTING

Monitoring of Community Outcomes takes place on a three yearly cycle. The objective is to measure the impact of Councils role and programmes on achieving the outcomes, and to report on the progress made.

After each financial year the Council is also required to prepare an Annual Report setting out information on the level of achievement against the key financial and non-financial performance targets for the year ended 30 June. The Annual Plan identifies what the Council plans to do over the next 12 months. The Annual Report explains what actually took place and the financial position at year end.

Contribution to Community Outcomes

The Leadership Activity contributes to all 21 Community Outcomes (See section 1.5)

Leadership						
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21

Major Projects in 2010/11

- The planning, consultation and adoption of the 2011/12 Exceptions Annual Plan.
- Completion of the 2011 Resident Satisfaction Survey.

Looking Forward

- Draft, consult and adopt the 2012-2022 Long Term Plan.
- Complete the review of Electoral System and Maori Representation (commenced in 2010/11).
- Complete a Representation review for the 2013 Triennial Election.

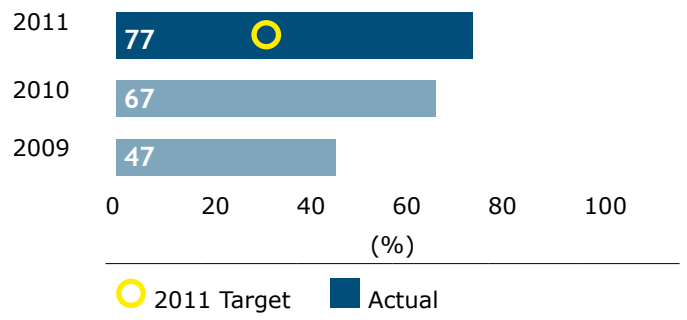
Snapshot of Progress

We consult in accordance with the Special Consultative Procedure outlined in the Local Government Act 2002.

How we measured success	How we did
Number of challenges to the process for decision-making. Target = 0 (No Challenges)	Achieved

We provide effective communication with our community.

The results of this year's Resident Satisfaction Survey signifies a consistent trend of residents' satisfaction towards Council communications. Overall 306 of the 400 residents surveyed were satisfied or very satisfied with Council's ability to provide effective and useful communications.



400 residents rated their satisfaction with Council's overall performance in the 2011 Resident Satisfaction Survey. Overall, 80% were very satisfied or satisfied with Council's Overall Performance, a significant increase from 2010 (59%).

We published our Annual Plan in accordance with the Local Government Act 2002.

How we measured success	How we did
Annual Plan adopted on or before 30 June each year.	Achieved The 2011/12 Annual Plan was adopted on 28 June 2011.

How we went against our budget

Cost of Service Statement - Leadership (\$000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Representation	10	12	14
Treasury Management and Overhead Accounts	5	128	12
Total Operating Income	15	140	26
Operating Expenditure			
Representation	708	697	711
Strategic Planning and Policy Development	638	577	665
Monitoring and Reporting	369	396	422
Treasury Management and Overhead Accounts	0	123	(280)
Total Operating Expenditure	1,715	1,793	1,518
Net Operating Cost/(Surplus)	1,700	1,653	1,492
Capital Expenditure			
Development	0	0	0
Renewal	185	172	288
Total Capital Expenditure	185	172	288
Total Expenditure	1,885	1,825	1,780
Funded By			
General Rate	745	728	353
Uniform Annual General Charge	744	735	790
Rates Penalties	210	347	255
Transfer from/(to) Reserves	186	15	382
Total Funding	1,885	1,825	1,780

Variations to Annual Plan

OPERATING INCOME

Revenue is \$125,000 more than budget due to additional interest revenue being received for short term deposits and the receipt of insurance proceeds from vehicle claims. These were both unbudgeted items in the Treasury Management and Overhead accounts activity.

OPERATING EXPENDITURE

Expenditure is \$78,000 more than budget due to additional audit fee costs being incurred for the 2009/2010 audit of the annual report. The creation of the debenture trust deed that provided additional access to wholesale debt markets to improve liquidity, resulted in additional treasury management advice and set up costs. These increases were offset by budgets that were not fully utilised for consultancy fees for the District Plan, advertising and legal expenses and reduced expenditure for elected members remuneration and election expenses. There were also reductions in interest costs incurred due to a lower level of borrowings than was expected at the time the budgets were prepared. The reduced interest charge has been reallocated across the other output activities.

2.4 Community Facilities

What we do

Council provides recreation and community facilities with the aim of ensuring that recreational activities are available to meet the present and future needs of the Community, and that Council meets its statutory obligations under such acts as the Reserves Act 1977 and Burials and Cremations Act 1964.

Public amenities are necessary to ensure that public health and safety is maintained.

There are four Activity Management Plans under this significant activity:

- Parks and Reserves
- Housing and Other Property
- Recreation and Culture
- Public Amenities

PARKS AND RESERVES

Active Reserves: The provision of areas for organised sporting activity and other recreational activity for residents and visitors to the District.

Passive Reserves: The provision of open space, including public gardens, to enhance the visual amenity of the locality and to provide informal and impromptu recreational activities.

Esplanade Reserves: Esplanade reserves control/reduce the risk from natural hazards, protect conservation values and promote/improve recreational opportunities along the District's principal waterways.

Leased Reserves: Land held by WDC but not currently used by WDC as reserves, but is land-banked for future recreational purposes should the need arise.

Playgrounds: Provision of playground equipment to provide opportunities for recreation and physical development of children.

HOUSING AND OTHER PROPERTY

Elderly Persons Housing: Provision of affordable housing for the elderly. There are currently 20 pensioner units owned by WDC, all located in Te Kuiti and on one site.

Community Halls: Provision and maintenance of rural halls through the support of Hall Committees throughout the District. It includes 11 rural halls owned by the WDC, plus the hall in Piopio township.

Other Land and Buildings: Maintenance and management of other miscellaneous WDC owned properties, including:

- Three formal camping grounds at Te Kuiti, Marokopa and Piopio (Note: The informal camping areas at Mangaokewa Reserve and Brook Park are included in the Parks and Reserves activity).
- 20 buildings and structures.
- Eight residential houses, located in Te Kuiti and Piopio.

- Four commercial buildings, all located in Te Kuiti and Piopio.
- The dog pound.

RECREATION AND CULTURE

District Libraries: Provision of library services to support culture, education, economic and personal development in the District. The main library is located at Te Kuiti with assisted voluntary community libraries at Awakino, Mokau and Benneydale.

District Swimming Pool: Provision and maintenance of aquatic facilities for leisure and competitive recreation opportunities for the community. Current swimming pool assets are limited to the public swimming pool in Te Kuiti.

Arts, Culture and Heritage: Maintenance and management of Culture and Heritage Buildings in the District including the Waitomo Cultural and Arts Centre in Te Kuiti.

Aerodrome: Provision of an aerodrome facility in Te Kuiti to provide leisure and recreational opportunities for residents and visitors to the District. Provision of a base for commercial aerial activities.

PUBLIC AMENITIES

Public Toilets: Provision of public toilet facilities in the District to ensure visitors and residents have access to safe, clean and sanitary facilities. The WDC presently owns and maintains 18 public toilets located throughout the District.

Cemeteries: Provision and maintenance of cemeteries in the District as required under the provisions of the Burials and Cremations Act 1964. The WDC is responsible for 7 cemeteries, located at Te Kuiti, Piopio, Aria, Mokau and Te Waitere as well as the closed cemeteries at Mapiu and Kiritehere.

Street Furniture: Provision and maintenance of street furniture, bins and other structures to visually enhance the town environments and provide facilities for people to relax and enjoy the environment.

Public Carparks: Provision and maintenance of carpark areas to ensure residents and visitors to the District can access conveniently located off street parking in our towns.

Contribution to Community Outcomes

The Community Facilities Activity contributes to the following Community Outcomes (See section 1.5).

Community Facilities					
					
1	3	6	7	8	9
					
10	12	14	16	18	20

Major Projects in 2010/11

PARKS AND RESERVES

An independent annual audit was completed for all playground equipment.

Playground safety improvements were undertaken including "Category 1" safety and compliance issues identified in the audit.

A renewal project for Te Waitere Wharf was nearing completion at the end of the 2010/11 financial year.

HOUSING AND OTHER PROPERTY

Renewal and upgrade work was completed for Elderly Person Housing in Te Kuiti. This included installation of insulation with the assistance of Government subsidy, replacement of stoves in four units and refurbishment of five housing units.

RECREATION AND CULTURE

Installation of a co-ordinated monitoring system for Councils various building alarm systems.

Renewal of the filtration housing and installation of a new filter system at the Te Kuiti Swimming Pool.

Efficiency upgrade of the heating system at the Te Kuiti Swimming Pool to reduce heating costs.

Renewal of landing strip surface and installation of a camera surveillance system at the Te Kuiti Aerodrome.

Stage One upgrade focussing on the entrance and foyer, including the installation of security alarms at the Waitomo Cultural and Arts Centre.

PUBLIC AMENITIES

Installation of a watering system in annual flower beds along Rora Street, Te Kuiti.

Refurbishment of two "vault" toilets on Councils' coastal reserves.

Looking Forward

PARKS AND RESERVES

Renewals on reserve pedestrian bridges, pontoons and jetties. As part of the LTP 2009-19 and Activity Management Plan development, inspection of all pontoons, wharves and jetties on Council reserves was undertaken. This report identified essential renewal works that were required to preserve the integrity of these assets. An allowance has been included for this work spread evenly over the life of the LTP.

The development of Coastal Reserve Areas including access and landscaping. Council is regularly queried regarding access and erosion / plantings associated with our many esplanade reserves. This monetary allowance is for the ongoing improvement to these assets.

HOUSING AND OTHER PROPERTY

Renewals to ensure compliance with New Zealand Safety Standards for public buildings for Community Halls. Each Council owned hall was inspected and the resulting report identified compliance requirements that were not being met. This monetary allowance is for assisting local hall committees in making the Council asset meet the required safety and building act standards.

Implementation of development requirements for Camp Grounds resulting from strategic review being undertaken in the 2010/11 year. This will assist in providing information relating to the renewal of commercial leases for these Council assets.

RECREATION AND CULTURE

Painting Te Kuiti Swimming Pool. Part of the regular renewals works associated with pools is the ongoing need to repaint the pool to protect the concrete surfaces and provide a surface to allow efficient cleaning. The Te Kuiti Swimming Pool painting is in very poor condition and is overdue for renewal.

Planned for renewals to the Cultural Centre as part of a medium term asset renewal/ refurbishment project. Renewal of this facility is essential in maintaining existing service levels and to provide opportunities for an increase in patronage and customer satisfaction.

The planned LTP 2009-19 upgrade works for the Waitomo District Library, due to commence in the 2011/12 year has been delayed for further consideration in the development of the 2012-2022 LTP. Council has recognised the need to have safe, compliant buildings for the community's use and as a result, Council staff have completed an investigation into the cost to obtain a Warrant of Fitness for the Library building and made provision for a budget of \$15,000 to undertake this project.

PUBLIC AMENITIES

Provision for the upgrade of Public Toilets. The Sanitary Assessment for toilets, undertaken by Council as part of its LTP 2009-19 development assessed Council's public toilets and identified areas where non-compliance with the NZ standard existed. Upgrade works are progressively being undertaken over the life of the LTP, to meet the required standard.

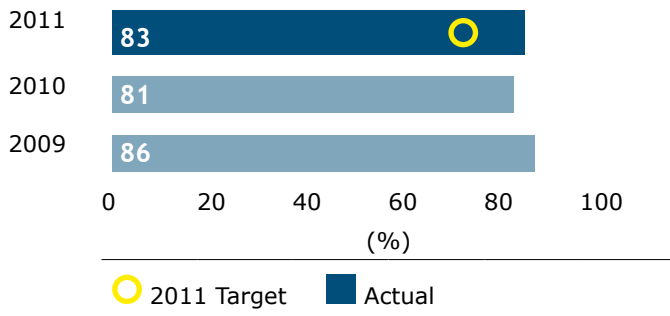
Re-design of street gardens in Rora Street Te Kuiti. The existing gardens and garden structures in Rora Street are coming to the end of their economic life and in parts are unsightly. The 2011/12 EAP includes a monetary allowance for the re-design of these gardens so that a staged/ coordinated renewal programme can be undertaken over the following five years.

Investigate options for land purchase at Te Kuiti Cemetery. Cemeteries are an essential service that Council is required to provide under the Burials and Cremation Act 1964. The Sanitary Assessment for cemeteries, undertaken as part of the LTP 2009-19 development, identified the need for additional land to be purchased for future expansion of the Te Kuiti Cemetery. There is a long lead in time for these types of strategic purchases and this purchase is funded over the financial years 2011/12 and 2012/13.

Snapshot of Progress

We provide high quality parks and reserves.

83% of residents were satisfied or very satisfied with the quality of parks and reserves.



Playground equipment is safe to use for parks and reserves users.

How we measured success	How we did
Number of accidents directly attributable to poor design. Target = Nil accidents per year directly attributable to poor design	Achieved Nil accidents recorded through Council's service request system.

Council's rate input into Elderly Person's Housing (EPH) is reducing.

How we measured success	How we did
Percentage of costs for Elderly Person's Housing from rate sources. Target = < 50%	Achieved

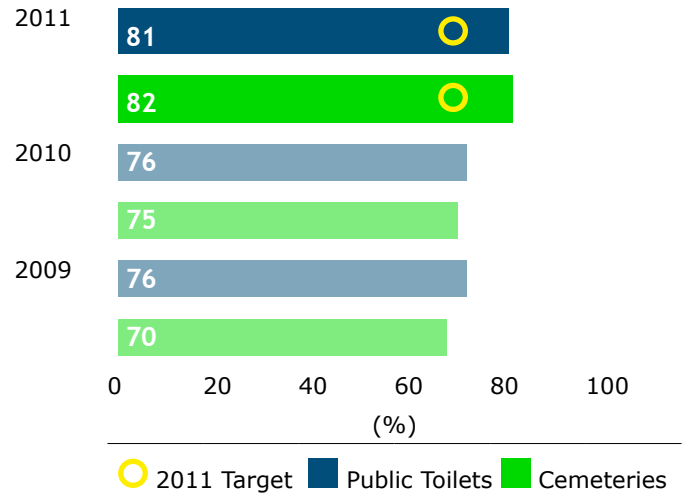
Council property meets standards of fitness for use.

How we measured success	How we did
Achievement of Building Warrant of Fitness signoff. Target = 100%	Achieved

We provide comprehensive library facilities for the community.

How we measured success	How we did
Percentage of community satisfied with the library facilities and service in the annual satisfaction survey and research survey results. Target = > 80%	Achieved

High quality public amenities will be provided.



The upward trend of Resident Satisfaction with the provision of quality public toilets and cemeteries, continues with a significant increase in rating for 2011.

How we measured success	How we did
Percentage of community satisfied with the quality of public cemeteries and toilets. Target > = 75%	Achieved

How we went against our budget

Cost of Service Statement - Community Facilities (\$'000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Parks and Reserves	8	4	6
Housing and Other Property	181	228	(126)
Recreation and Culture	98	84	93
Public Amenities	34	57	29
Total Operating Income	321	373	2
Operating Expenditure			
Parks and Reserves	556	561	502
Housing and Other Property	767	633	686
Recreation and Culture	1,019	1,089	1,040
Public Amenities	657	662	519
Total Operating Expenditure	2,999	2,945	2,747
Net Operating Cost/(Surplus)	2,678	2,572	2,745
Capital Expenditure			
Parks and Reserves	129	169	56
Housing and Other Property	95	58	90
Recreation and Culture	223	419	196
Public Amenities	31	38	1
Total Capital Expenditure	478	684	343
Total Expenditure	3,156	3,256	3,088
Funded By			
Loans	200	332	87
Reserves	224	432	453
General Rates	1,288	1,161	1,091
Uniform Annual General Charge	1,170	1,058	1,222
Target Rates - Marokopa Hall	4	4	4
Target Rates - Rural	81	80	69
Target Rates - Urban	189	189	162
Total Funding	3,156	3,256	3,088

Variations to Annual Plan

OPERATING INCOME

Revenue is \$52,000 more than expected due to insurance proceeds revenue being received for the stolen weta sculpture and damage to Mahoenui Hall. These items were not budgeted for. An Energywise home insulation grant was also received for Elder Persons housing. The gain on revaluation of investment properties and the cemetery fees received were higher than anticipated. These increases in revenue were offset by a reduction in rental revenue from Council properties and Elder Persons housing due to periods of time that the properties were vacant. Airport revenue was also reduced due to the accounting treatment of revenue in advance for airport leases.

OPERATING EXPENDITURE

Expenditure was \$54,000 less than budget due to budgets for asset management and repairs and maintenance not being fully utilised during the year. This was partly offset by losses that were incurred on disposal of assets and parts of assets that were replaced during the year and additional depreciation being charged. The depreciation budgets were prepared as part of the 2009-2019 LTP process prior to the information for the revaluation of land and buildings being available.

CAPITAL EXPENDITURE

Community Facilities expenditure was \$206,000 more than budget due to the completion of Te Kuiti Swimming Pool filtration and heating upgrade and the renewal of Stage One of the upgrade of the Arts and Cultural Centre. These projects were approved and financed from budgets in the 2009/2010 and 2010/11 financial years. Additional costs were incurred at the Arts and Cultural Centre as a result of unforeseen structural repairs to the floor and installation of beams in the roof and wall as the existing structures and floor were inadequate.

2.5 Community Development

What we do

The Community Development Activity works to ensure that individuals living in the Waitomo District have access to a range of services and facilities to increase their quality of life, and promote community well-being.

There are four activities under Community Development, namely:

COMMUNITY SUPPORT

Community Support includes strategy development and grant funding to assist community groups and organisations that provide services benefitting local residents. Access to community information via WDC's website, providing local events (e.g. the annual Christmas Parade), monitoring, advocacy and facilitation of the community's health related issues, funding of "Get Active" recreation programmes for youth and other residents and liaison with NZ Police on community safety issues and projects, are all part of WDC's involvement in this activity.

ECONOMIC DEVELOPMENT

Economic Development includes economic growth opportunities including Sister City relationships, urban infrastructure, business programmes, employment initiatives, and new business development are well documented catalysts for economic growth. Of these, continuation of WDC's current Sister City relationship with Tatsuno in the Nagano province of Japan and consultation with the business sector during the development of urban structure plans are the main areas of the WDC's current strategic focus.

REGIONAL TOURISM












Regional Tourism is facilitated through the WDC's visitor information centre in Te Kuiti, major event coordination (e.g. the Great NZ Muster), and strategy development. At a regional level, the strategy is to promote regional tourism growth at both domestic and international levels, using Waikato regional branding rather than individual district brands. Local tourism products and experiences are coordinated through the regional approach in partnership with Tourism NZ and other tourist organisations.

AGENCIES

This activity aims to facilitate community access to government services through a combination of monitoring, advocating and providing. With regard to the latter, the WDC currently acts as an agency for the Automobile Association (AA), including provision of driver licensing services.

Contribution to Community Outcomes

The Community Development Activity contributes to the following Community Outcomes (See section 1.5).

Community Development					
 1	 2	 3	 7	 9	 16
 17	 18	 19	 20	 21	

Major Projects in 2010/11

- Review of the Community Development Fund Policy to include the Community Partnership Fund as per 2010 Annual Plan.
- Administration of the first Community Partnership funding round to increase the opportunity for community based projects and initiatives.
- Joined the Mayors Taskforce for Jobs, and undertook Council's first Community Youth Forum featuring Celia Lashlie as guest speaker.
- Continued delivery of district events, The Great NZ Muster and Waitomo District Christmas Parade.

Looking Forward

Develop community liaison channels for youth development. The 2009-19 Long Term Plan and the reviewed Community Development Strategy adopted by Council in 2010 outlined Council's intention to establish a Youth Forum. This Forum is scheduled for establishment in 2011 and will require further development of channels for the liaison with this group during the 2011/12 year.

Undertake new relationships with other Waikato Territorial Authorities to support the proposed Waikato Regional Tourism Organisation (WRTO). Development of the WRTO has progressed to the stage of a formal proposal to Council to join the organisation and support the organisation through funding. A funding allowance has been included in the 2011/12 EAP for this activity.

ECONOMIC DEVELOPMENT

Liaise with other key stakeholders to promote the newly established Central North Island Rail Cycleway within our District with the emphasis on business opportunities.

The 2009-19 Long Term Plan identifies the need for Council to facilitate and advocate sustainable economic development within the District. The 2010 reviewed Community Development Strategy also highlighted the importance of this but due to Council's funding restraints it has been deferred till later years in the LTP.

Snapshot of Progress

We provide assistance for community support activities.

Councils' performance in providing this level of service to the Waitomo District Community, has improved considerably when compared to the service performance result to 30 June 2010 (2009/10 Annual Report).

The performance target of advertising the availability of discretionary grant funding on a quarterly basis was achieved this year.

How we measured success	How we did
Availability of discretionary grant funding advertised quarterly. Target = 100% compliance	Achieved

Public Notices were published in the Waitomo News, two-three weeks prior to the application closing date. Notices were published for the following funding rounds:

Funding Round	Date of first publication	Date of second publication
1 September 2010	10 August 2010	26 August 2010
1 December 2010	11 November 2010	25 November 2010
1 March 2011	8 February 2011	24 February 2011
1 June 2011	12 May 2011	26 May 2011

The advertisements were also published on Councils' website: www.waitomo.govt.nz under the *News* section.

Councils' performance target of 100% of grants for Community Halls will be distributed by 31 December each financial year, was achieved this year.

How we measured success	How we did
Grants for Community Halls will be distributed by 31 December each financial year. Target = 100% compliance	Achieved

The funding pool is distributed on an annual basis to community halls located throughout the Waitomo District. The grant assists the Hall Committee's with the costs associated with repairs and maintenance of the halls, hireage and fundraising initiatives.

Grants were paid in September 2010 with each hall receiving \$1,000.

- Mahoenui Hall Society
- Waitanguru Hall Society
- Rangitoto Hall Committee
- Mokau Hall Committee
- Mairoa Hall Committee
- Kopaki Hall Committee
- Awakino Hall Committee
- Aria Hall Committee
- Benneydale & District Ratepayers Association
- Mokauiti Hall Committee
- Mapiu Sport & Recreation Committee

Council has achieved an excellent performance result this year, in its' goal to support the growth of the economy through the effective provision of District attractions to domestic and international markets.

All five key performance targets for this strategic goal were achieved this year. A summary of those achievements is included below:

I-SITE delivers effective and efficient services to visitors.

How we measured success	How we did
Accurate volume and statistical trends on visitor usage are recorded and reported at management level. Target = Monthly	Achieved

Council supports major District events that build community pride and raise the District's profile.

How we measured success	How we did
Number of major District events held on time and to budget. Target = One major event (The Great NZ Muster) and one minor event (The Christmas Parade).	Achieved

Both District events were held on time and within budget. The Waitomo District Christmas Parade was held on Friday 10 December 2010 and was themed 'A Story Book Christmas'.

The Great NZ Muster was held in Te Kuiti, on Saturday 2 April 2011. This event was sponsored by United Water and was once again a great success with around 7,000 spectators attending the event, which included the popular Coopers New Zealand Shears Running of the Sheep. The variety of stalls and entertainment ensured an enjoyable and interesting atmosphere. A new item this year was the new 'Muster' black shopping bags (available for a gold coin donation) the sales of which raised \$834 for the Christchurch Earthquake Appeal.

How we went against our budget

Cost of Service Statement - Community Development (\$000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Community Support	0	0	0
Economic Development	0	2	3
Regional Tourism	280	216	200
Agencies	25	21	22
Total Operating Income	305	239	225
Operating Expenditure			
Community Support	361	393	256
Economic Development	42	33	38
Regional Tourism	535	429	534
Agencies	44	31	19
Total Operating Expenditure	982	886	847
Net Operating Cost/(Surplus)	677	647	622
Capital Expenditure			
Regional Tourism	0	2	0
Total Capital Expenditure	0	2	0
Total Expenditure	677	649	622
Funded By			
General Rates	334	328	289
Uniform Annual General Charge	343	338	363
Reserves	0	(17)	(30)
Total Funding	677	649	622

Variations to Annual Plan

OPERATING INCOME

Revenue was \$66,000 less than budget due to reduced levels of sales at the Visitor Information Centre. This is reflected in a similar reduced level of purchases in the expenditure section. Revenue budgets were prepared as part of the 2009-2019 LTP process and assumed levels above what was actual revenue from the Visitor Information Centre.

OPERATING EXPENDITURE

Expenditure was \$96,000 less than budget at the Visitor Information Centre. This is largely driven by sales levels which were below what was anticipated at the time the budgets were set. The rates and penalty remission expenditure was higher than budget as the level of rates remissions granted by WDC was greater than that allowed for at the time the budgets were prepared. The budget for this item was understated for the level of rate remission and rate penalty applications received. Reduced expenditure for the Community Partnership Fund, Youth Centre Grant and the Waitomo Discovery Centre contract has offset the increased expenditure for rates remissions.

2.6 Regulation and Safety

What we do

The Regulation and Safety Activity works towards the goal of seeking to effectively and efficiently provide a safe and sustainable environment through the administration and enforcement of Central Government Legislation.

REGULATION

There are three functions making up the Regulation activity, namely:

Environmental Health: Provision of environmental health services, including food premises licensing, liquor licensing and noise control. The WDC has specific statutory responsibilities under each of these functions.

Animal Control: Provision of an animal control service for the District, including wandering livestock, dog registration and control.

Building Control Services: Provision of building control services, including issuing and monitoring of building consents.

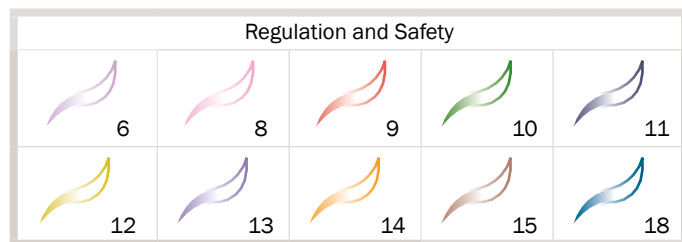
SAFETY

Emergency Management: Provision of emergency response capability, including public education and administration of the Civil Defence and Emergency Management Act 2002.

Rural Fires: Provision of rural fire fighting capability and support for the Tainui Rural Fire Party.

Contribution to Community Outcomes

The Regulation and Safety Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

Environmental Health

- Reviewing and updating WDCs' Trade Waste Bylaw as required by the Local Government Act 2002.

Building Control

- WDC was awarded Phase 2 Accreditation as a Building Consent Authority as required by the Building Act 2004. Accreditation is necessary to allow WDC to continue to process and issue building consents.

- WDC's building control systems have been reviewed so as to improve processing times for building consents. In the 2010/11 financial year, the average processing time for a building consent was 9 working days.

Animal Control

- Achievement in providing animal control services to the Waitomo District Community within the annual budget. Gross cost of service for dog and animal control was less than the budgeted for the 2010/11 financial year.

Emergency Management

- Achievement in carrying out 17 educational visits to schools and community groups to prepare the community for emergency events.
- Staff assisted in the Emergency Operating Centre for the Christchurch Earthquake in February 2011. The Operating Centre ran for 4-6 weeks assisting evacuees from Christchurch. This highlighted the skills and training staff have received so far and that we have achieved the desired outcome.

Looking Forward

Rural Fire

- Investigation into establishing a Rural Fire Authority for Waikato Valley Operational area. This project is in partnership with the Department of Conservation, New Zealand Forest, Waipa, Otorohanga, Waikato and New Zealand Rural Fire Authorities.

Snapshot of Progress

All food and liquor retail premises are inspected and appropriately registered and licensed.

How we measured success	How we did
Percentage of registration or licensing of food and liquor retail premises completed. Target: 100%	Achieved

Building consents and project information memoranda issued within 15 working days.

How we measured success	How we did
Percentage of building consents and project information memoranda issued within 15 working days. Target = 90%	Achieved – 93%

How we went against our budget

Cost of Service Statement - Regulation and Safety (\$000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Regulation	379	295	333
Safety	1	8	18
Total Operating Income	380	303	351
Operating Expenditure			
Regulation	800	760	888
Safety	94	108	100
Total Operating Expenditure	894	868	988
Net Operating Cost/(Surplus)	514	565	637
Funded By			
General Rate	342	335	349
Uniform Annual General Charge	174	171	242
Reserves	(2)	59	46
Total Funding	514	565	637

Variations to Annual Plan

OPERATING INCOME

Revenue was \$77,000 less than budget as building consent fees were less than anticipated. The number of consents processed has reduced and this trend is in line with national trends which have seen a reduction in construction work and consent applications. It should also be noted that despite increasing building consent fees, revenue has decreased. Consent fees are related to the value of building projects and there is clear evidence that construction work has been focused on less expensive projects.

OPERATING EXPENDITURE

Expenditure was \$26,000 less than budget as direct expenditure has been reduced as a result of processing more consents in-house rather than using external agencies.

2.7 Environmental Sustainability

The Environmental Sustainability group of activities promotes Community Outcomes that target environmental well-being.

Why we provide this Group

These activities aim to minimise the impact of community's lifestyles and growth on the natural environment.

Although the broad issues relating to the environment are primarily managed by Regional Councils, it is the responsibility of every local authority to carry out activities that promote sustainable management and protection of the environment.

Activities within this Group

- Solid Waste Management
- Stormwater
- Resource Management
- Sewerage

2.8 Solid Waste Management

What we do

The Solid Waste Activity manages the refuse collection of residual wastes, disposal and recycling services for the Waitomo District.

The solid waste network involves a series of recycling and transfer stations throughout the District. Residual waste is deposited at the Waitomo District Landfill in Te Kuiti.

The community generates non-recyclable waste each day and the current trend of increasing amounts of packaging and waste material results in an ongoing challenge for waste management. If waste is not managed in an appropriate manner it may result in serious public and environmental health concerns.

The Solid Waste Activity comprises the following:

COLLECTION

Collection includes a kerbside collection of residual waste for the residents of Te Kuiti, Piopio, Mokau and Waitomo Ward including the Village and the provision of a Kerbside Recycling Collection Service for the residents of Te Kuiti, Piopio, Mokau, Mahoenui and Waitomo Ward and Village.

Recycling stations are located at Marokopa, Waitomo Village, Benneydale, Piopio, Kinohaku and at the Waitomo District Landfill in Te Kuiti.

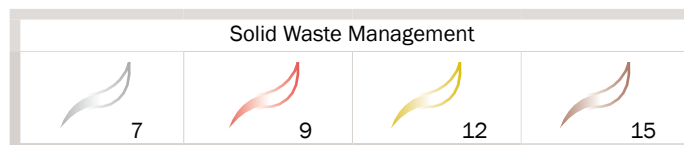
MANAGEMENT

Management by WDC includes management of the contracts for maintenance and management of the Waitomo District Landfill in Te Kuiti by a contractor, and transfer stations at urban settlements in the District by local contractors.

Management by WDC also includes waste minimisation activities to help preserve the environment and minimise potentially negative effects of solid waste disposal. It includes education programmes aimed at drawing attention to the benefits of waste minimisation and recovery.

Contribution to Community Outcomes

The Solid Waste Management Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

- 100% compliance with resource consent conditions at the Waitomo District Landfill and closed landfills.
- 100% of all residential premises in collection areas have access to Kerbside Collection Service.
- Construction of the Waitomo District Landfill Transfer Station has been completed and is now open and fully operational to residents.

Looking Forward

COLLECTION

The focus for the Collection Activity is the consolidation and refinement of the new collection service introduced during the 2009/10 financial year. The refinement process will include the monitoring of refuse versus recycling volumes and monitoring customer satisfaction to inform any changes to the service configuration or service levels that may be required.

MANAGEMENT

The focus for the management function is the ongoing enhancement of the Waitomo District Landfill and associated Network of Transfer Station Facilities to ensure operational efficiency and in support of Waste Minimisation targets established by the SWaMMP.

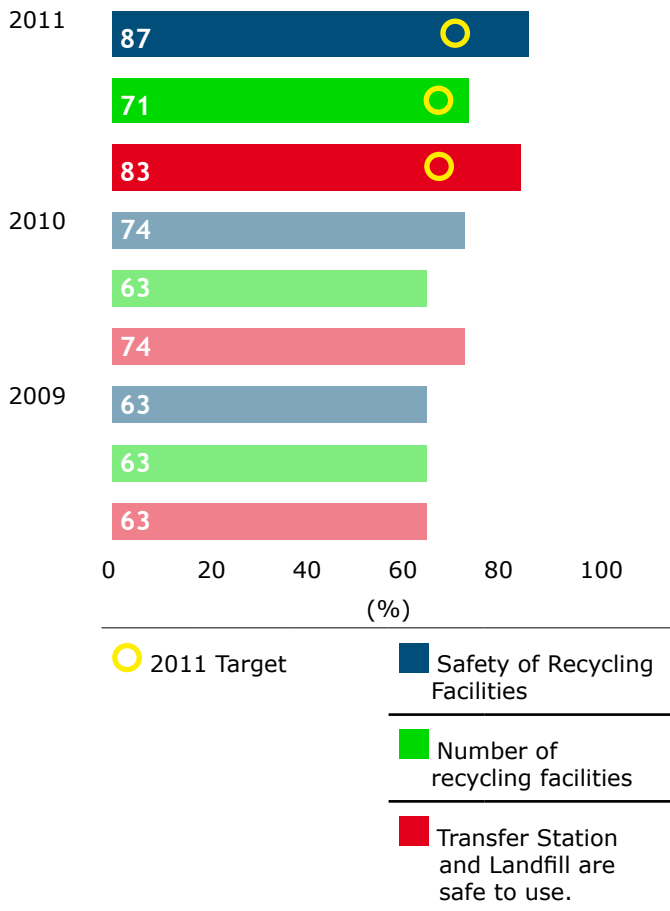
The level of investment for development of the Waitomo District Landfill is less than that established by the LTP for the 2011/12 financial year. Funding is made available for further shaping of the Landfill Highwall for safety purposes (an ongoing project) and for the asphaltting of the trafficable area of the new transfer station.

The total level of investment for the development of Transfer Stations is established by the 2009-19 Long Term Plan for the financial year. However it is now intended that the investment will be primarily utilised for completing

upgrades that originally commenced in the 2009/10 and 2010/11 financial years, such as improved signage at all transfer stations and fencing at Kinohaku, Piopio and Awakino Transfer stations.

Snapshot of Progress

Results of the 2011 Resident Satisfaction Survey show a considerable increase in satisfaction across three of the four measures, this year.



The Kerbside Collection Service is made available to all residential premises in Te Kuiti, Piopio, Mokau and Waitomo Village.

How we measured success	How we did
Percentage of residential premises in collection areas that have access to kerbside collection. Target: >90%	Achieved – 100% All residential properties have access.

We ensure our facilities are open and accessible to users at advertised times.

How we measured success	How we did
Number of complaints per month due to facilities not being open at advertised times. Target: <1	Achieved

Our Waste Minimisation education is reducing household waste.

How we measured success	How we did
Reduction in quantity of recyclables contained in kerbside refuse bags. Target: = 5%	On Target for achievement

The Kerbside Collection Service is efficient and effective.

How we measured success	How we did
Number of service complaints in any one month regarding the quality of the kerbside refuse and recycling collection service. Target: <3	Achieved

How we went against our budget

Cost of Service Statement - Solid Waste Management (\$'000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Collection	139	97	46
Management	1,082	816	979
Total Operating Income	1,221	913	1,025
Operating Expenditure			
Collection	381	367	377
Management	1,853	1,384	1,343
Total Operating Expenditure	2,234	1,751	1,720
Net Operating Cost/(Surplus)	1,013	838	695
Capital Expenditure			
Management	127	407	888
Total Capital Expenditure	127	407	888
Total Expenditure	1,140	1,245	1,583
Funded By			
Loans	127	375	934
Reserves	(58)	(194)	(395)
General Rate	35	34	25
Uniform Annual General Charge	35	35	31
Target Rate - District	760	754	674
Target Rate - Mokau	60	59	58
Target Rate - Piopio	14	14	28
Target Rate - Te Kuiti	123	123	174
Target Rate - Waitomo	44	44	54
Total Funding	1,140	1,245	1,583

Variations to Annual Plan

OPERATING INCOME

Revenue is \$308,000 below budget due to reduced revenue from the sale of refuse bags. Customers place greater emphasis on recycling which has affected sales levels and there have been reduced volumes of refuse entering the landfill since the introduction of usable recycling services. In addition to this there have been reduced sales of landscape supplies due to changes in the economic environment and purchasing trends.

OPERATING EXPENDITURE

Expenditure is \$483,000 below budget due to capping material being sourced without cost. Minimal infrastructure improvements have been carried out and there has been reduced expenditure on closed landfills due to minimal maintenance items this financial year. The reduced costs of the operations contract introduced in the 2009/2010 year and reduced market movement by way of CPI adjustment has also contributed to this result.

CAPITAL EXPENDITURE

Solid Waste expenditure was \$280,000 more than budget. The over expenditure relates to unbudgeted work approved following the adoption of the 2009/2010 budget and due to the subsequent delays this work was not completed until the 2010/2011 year. The main expenditure in this activity was for the construction of the new transfer station in Te Kuiti.

2.9 Stormwater

What we do

Stormwater runoff occurs after rainfall. Rain that does not soak into the ground flows downhill until it reaches a water course or is collected by a pipe system. Where there is development, runoff from properties and roads flows into stormwater systems.

The greater the level of development in a catchment, the greater the conversion of rainfall into runoff. If this runoff is not managed well, it can cause flooding. Generally stormwater is channelled onto roads or into open watercourses, then down streams and rivers to lakes and the sea.

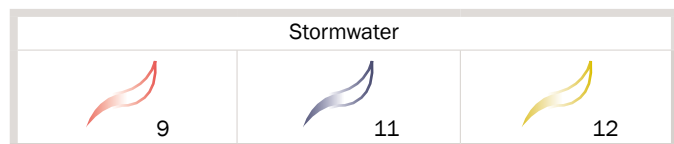
The stormwater drainage system manages runoff by collecting and removing the runoff, eventually disposing of it into natural streams, lakes or the sea. The Stormwater Activity involves providing, maintaining and expanding the capacity of the existing drainage systems and advocating for the appropriate management of rivers and streams within the Waitomo District.

STORMWATER RETICULATION AND DISPOSAL

This involves providing, maintaining and expanding Council's urban stormwater disposal systems.

Contribution to Community Outcomes

The Stormwater Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

- Completion of a programme for the extension of the stormwater reticulation network in Te Kumi Road, to improve local storm water disposal.
- Replacement and partial upgrade of a section of storm water drain on the corner of Hill Street and King Street to address local flooding issues.
- Placement of grates over inlets and outlets of stormwater pipes located along the Mangaokewa Stream bank and at the Waitomo District Landfill. This was undertaken as a Health and Safety precaution, to prevent the public from entering the stormwater system.
- Installation of stormwater pipes on Waitete Road as part of a road upgrade.
- Renewal of 35 metres of storm water pipe and a manhole on Mary Street.

Looking Forward

- Begin the development of the Stormwater Asset Management Plans (AMP) and the identification and possible preventative maintenance of some open drains.
- An additional \$15,000 has been added to the Stormwater Capital Programme to provide for grills to be installed at stormwater exit and entry points where Health and Safety concerns exist.

Snapshot of Progress

We manage the urban stormwater activity to protect people and property from the impacts of flooding.

How we measured success	How we did
Annual incidence of inundation of habitable buildings in urban areas from a 10% or less Annual Exceedance Policy event. Target: 0	Achieved

Our response time for investigation of complaints relating to the urban stormwater system is 5 working days.

How we measured success	How we did
Response time for investigation of complaints relating to lack of maintenance of the urban stormwater system. Target: 5 working days	Achieved

How we went against our budget

Cost of Service Statement - Stormwater (\$000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Te Kuiti Stormwater	2	9	0
Rural Stormwater	0	0	0
Total Operating Income	2	9	0
Operating Expenditure			
Te Kuiti Stormwater	280	249	232
Rural Stormwater	82	37	39
Total Operating Expenditure	362	286	271
Net Operating Cost/(Surplus)	360	277	271
Capital Expenditure			
Te Kuiti Stormwater	81	36	76
Rural Stormwater	18	0	0
Total Capital Expenditure	99	36	76
Total Expenditure	459	313	347
Funded By			
Loans	13	0	0
Reserves	86	(46)	55
Target Rate Urban	278	278	226
Target Rate Rural	82	81	66
Total Funding	459	313	347

Variations to Annual Plan

OPERATING EXPENDITURE

Expenditure is \$76,000 less than budget for the year. Stormwater maintenance and capital expenditure is only completed when required and driven by need.

2.10 Resource Management

What we do









The Resource Management Activity works towards the goal of effectively and efficiently providing a safe and sustainable environment through the administration and enforcement of the Resource Management Act and District Plan.

RESOURCE MANAGEMENT

Administration and application of the District Plan, including the issue of resource consents for land use and subdivisional consents and monitoring consents for compliance with conditions.

Contribution to Community Outcomes

The Resource Management Activity contributes to the following Community Outcomes (See section 1.5).

Resource Management			
 6	 7	 8	 9
 10	 11	 12	 14

Major Projects in 2010/11

- Continued commitment to the "Shore Futures Project" - a collaborative planning approach between Waikato Regional Council, Otorohanga District Council, Waikato District Council and this Council, for the integrated management of Kawhia Harbour.
- WDC processed all of resource consent applications within the statutory time frames required by the Resource Management Act 1991.

Looking Forward

The key area of focus for the Resource Management Activity is on maintaining existing levels of service, compliance with legislation and;

- Commence a staged review of the Waitomo District Plan so as to develop a second generation plan which incorporates amendments to the Resource Management Act 1991 and addresses recognised shortcomings with the existing Plan.

Snapshot of Progress

Council ensures that resource consents are processed in a timely and customer friendly manner so as to facilitate District wide development.

How we measured success	How we did
Percentage of non-notified consents processed within 20 working days. Target = 90%	Achieved

How we went against our budget

Cost of Service Statement - Resource Management (\$000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
District Plan Administration	83	72	50
Total Operating Income	83	72	50
Operating Expenditure			
District Plan Administration	189	189	126
Total Operating Expenditure	189	189	126
Net Operating Cost/(Surplus)	106	117	76
Funded By			
General Rates	53	52	40
Uniform Annual General Charges	53	52	50
Reserves	0	13	(14)
Total Funding	106	117	76

Variations to Annual Plan

OPERATING INCOME

Revenue was \$11,000 less than budget due to less resource consent applications processed during the year.

2.11 Sewerage

What we do

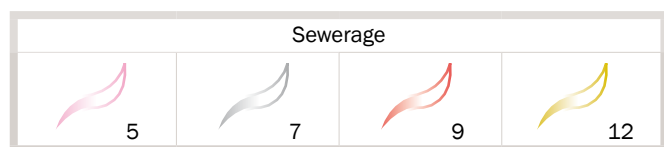
The purpose of the Wastewater (Sewerage) Activity is to collect and dispose of wastewater in an effective and environmentally acceptable manner.

Effective and efficient wastewater collection and disposal is essential to protect the environment, maintain public health and to facilitate economic development.

In order to ensure the effective disposal of sewage in an environmentally sustainable manner and to promote and protect public health, the Council provides sewerage schemes at Te Kuiti, Te Waitere, Benneydale and a new scheme is also under development for Piopio.

Contribution to Community Outcomes

The Sewerage Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

TE KUITI SEWERAGE

- Replacement work was completed on a failing sewer line in Waitete Road. This also allowed for the decommissioning of failing septic tanks in the area.
- William Street sewer line completed to prevent overflows at low gulley traps in the area.
- Completion of the new Matai Street sewer extension to allow decommissioning of septic tanks that were still in use.
- Waste Water Treatment Plant Upgrade design project is now complete, construction work can continue as soon as Ministry of Health funding is sorted.
- Inflow and infiltration investigation of one catchment had been completed and the remedial work is in progress.
- Installation of additional manhole in Taupiri Street for connection of Trade Waste.

TE WAITERE SEWERAGE

- Installation of a new pressure sewer line completed along Te Waitere Road to resolve a long standing issue and allowing failing septic tanks to be serviced.

BENNEYDALE SEWERAGE

- Resource consent for waste water discharge for the Benneydale community was obtained.
- The waste water reticulation in Benneydale has been extended connecting 34 properties to the network.
- A soakage field for summer discharge of treated waste water to improve quality of summer stream flows in the Mangapehi Stream to a level suitable for recreational use.

PIOPIO SEWERAGE

- Resource consent for waste water discharge for the Piopio community was obtained.
- The treatment plant installed and work continues.

Looking Forward

TE KUITI SEWERAGE

- Instrumentation and controls.
- UV Disinfection Filter and Filtration Units, pipe work and related instrumentation and controls.
- Aeration System, pipe work and related instrumentation and controls.
- Modified reactor.
- Sludge Management.

TE WAITERE SEWERAGE

- Renewal and extension of the soakage field: this project has been deferred to 2012-22 LTP because land for development is required. The land where the existing field is located has proved to be unstable and public consultation is needed about the future development of the Te Waitere.
- Replacement of the existing pump line to the soakage field as the pump line is at the end of its useful life.

BENNEYDALE SEWERAGE

- A discharge consent for Benneydale Sewerage Scheme has been obtained.
- Major reticulation extension works in the Benneydale Village has received Ministry of Health Subsidy and therefore construction will go ahead.
- Establishment of a soakage field has received Ministry of Health Subsidy and will be undertaken.

PIOPIO SEWERAGE

- Completion of the construction of the new sewerage scheme for Piopio community (this project is anticipated to be completed and fully operational in the 2012/13 year).

Snapshot of Progress

Service requests and failures are responded to as they come in.

How we measured success	How we did
Response time for non-urgent requests. Target: 90% within 10 working days.	Achieved

Sewage is managed without risk to public health.

How we measured success	How we did
Time to complete clean up and sanitising of overflows. Target: within 24 hours of notification.	Achieved

How we went against our budget

Cost of Service Statement - Sewerage (\$'000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Te Kuiti Sewerage	705	865	673
Benneydale Sewerage	914	858	1
Piopio Sewerage	1,571	214	0
Total Operating Income	3,190	1,937	674
Operating Expenditure			
Te Kuiti Sewerage	1,752	1,946	1,603
Te Waitere Sewerage	55	27	28
Benneydale Sewerage	91	92	92
Piopio Sewerage	122	85	89
Total Operating Expenditure	2,020	2,150	1,812
Net Operating Cost/(Surplus)	(1,170)	213	1,138
Capital Expenditure			
Te Kuiti Sewerage	2,641	949	1,080
Te Waitere Sewerage	388	5	16
Benneydale Sewerage	1,076	993	97
Piopio Sewerage	1,860	436	109
Total Capital Expenditure	5,965	2,383	1,302
Total Expenditure	4,795	2,596	2,440
Funded By			
Loans	3,375	1,192	956
Reserves	105	86	(49)
Service Charges - Te Kuiti	1,047	1,048	1,273
Service Charges - Te Waitere	55	55	36
Service Charges - Benneydale	91	92	77
Service Charges - Piopio	122	123	147
Total Funding	4,795	2,596	2,440

Variations to Annual Plan

OPERATING INCOME

Revenue was \$1,253,000 less than budget for the year due to the subsidy revenue for capital works projects not being undertaken as planned.

Delays for the Piopio scheme were experienced due to an Environment Court appeal to the granting of the resource consent however the construction phase began again in March 2011 when the Environment Court upheld the consent. The project is expected to be completed by December 2012. The remaining subsidy revenue will be claimed in the year that the work is completed.

Delays were also experienced with the Benneydale scheme resulting in a reduced level of subsidy revenue being received in the financial year. This project is 90% complete and the remaining subsidy revenue will be received in the 2011/12 financial year.

The subsidy revenue for the Te Kuiti scheme was significantly less than anticipated due to the capital budgets for the upgrade being largely unspent as WDC progresses the application for renewal of the resource consent.

OPERATING EXPENDITURE

Expenditure was \$130,000 higher than expected due to the cost of unforeseen network repairs in Te Kuiti that were completed under the maintenance contract. Losses on asset disposals for replaced pipes in Waitete Road, Te Kuiti, also contributed to the result. The increased expenditure was offset by reductions in internal interest and overhead costs. The interest costs were less than expected as a result of less internal loans being raised because of delays in capital projects and lower than expected interest rates. The overhead costs attributed to this activity were less than budget due to the capitalising of staff time on capital projects to comply with financial reporting standards. The direct operating costs for Piopio sewerage scheme were also less than budget due to the scheme not being operational when expected (see comments in Revenue section above).

CAPITAL EXPENDITURE

Sewerage expenditure was \$3,582,000 less than budget due to delays in the Te Kuiti and Piopio Schemes. The capital budgets for the upgrade of the Te Kuiti scheme were largely unspent as WDC progresses the application for renewal of the resource consent.

Delays for the Piopio scheme were experienced due to an Environment Court appeal to the granting of the resource consent however the construction phase began again in March 2011 when the Environment Court upheld the consent. The project is expected to be completed by December 2012. The remaining subsidy revenue will be claimed in the year that the work is completed. The renewal and extension of the soakage field at Te Kuiti has been deferred because land for development is required. The land where the existing field is located has proved to be unstable and public consultation is needed.

2.12 Economic Sustainability

The Economic Sustainability group of activities promotes outcomes which focus on providing the necessary infrastructure to enable communities throughout the urban environment to prosper and to ensure that the District as a whole is able to transport its produce and necessities to and from the marketplace.

Why we provide this Group

The growth and maintenance of tourism, farming and other commerce and industry is dependent on the provision of a reliable transport network.

The provision of Council services throughout the District requires considerable financial resources and hence, in order to relieve the burden on the ratepayers, Council undertakes various investment activities.

Activities within this Group

- Water Supply
- Land Transport
- Investments

2.13 Water Supply

What we do

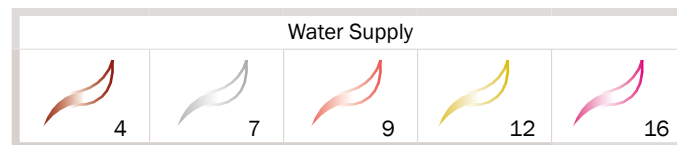
The purpose of the Water Supply Activity is to supply safe water to the communities in the Waitomo District.

Water supply is essential for maintaining public health, provides fire fighting capacity in urban areas and facilitates economic growth.

WDC is committed to providing a water supply service that meets the diverse needs of the Waitomo Community.

Contribution to Community Outcomes

The Water Supply Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

Across the water supply schemes of Te Kuiti, Piopio Benneydale and Mokau, Public Health Risk Management Plans (PHRMP) were undertaken, completed and approved. The PHRMP's are required to support funding applications to the Ministry of Health.

TE KUITI WATER SUPPLY

- Installation of basic SCADA equipment at the treatment plant and reservoirs was done. This technology allows the automatic gathering of data in real time to meet the requirements of the Drinking Water Act and improve control of treatment plant equipment and operating conditions.
- Application for Ministry of Health funding for upgrades at the water treatment plant has been lodged.
- Modification of reticulation to improve security of supply to Te Kuiti Meats.
- Modification of reticulation to improve security of supply to Universal Beef Packers Ltd.
- Refurbishment of valves and associated fittings on Waitete Road crossings.

MOKAU WATER SUPPLY

- Installation of SCADA equipment was finalised, this technology allows the automatic gathering of data in real time from the treatment facility in a remote location to meet the requirements of the Drinking Water Act. It also improves control of treatment plant equipment and operating conditions
- Application for funding to MoH was submitted to raise the raw water storage dam to improve security of supply was successful.
- Construction to start in around September 2011.

BENNEYDALE WATER SUPPLY

- Installation of SCADA equipment was finalised, this technology allows the automatic gathering of data in real time from the treatment facility in a relative remote location. Thus meeting the requirements of the Drinking Water Act and improves control of treatment plant equipment and operating conditions.

PIOPIO WATER SUPPLY

- Preliminary designs done to replace filter and associated pipe work.
- Application for Ministry of Health funding for upgrades at the water treatment plant has been lodged.

Looking Forward

The following key projects have been established for Te Kuiti, Piopio and Mokau Water Supplies.

TE KUITI WATER SUPPLY

- Ultra Violet.
- Scada and Telemetry.
- Storage reservoir to meet storage requirement of Drinking Water Act (2007).

PIOPIO WATER SUPPLY

- The upgrade of the Piopio Water Treatment Plant. This proposed project is subject to receiving Ministry of Health subsidy.

MOKAU WATER SUPPLY

- Raw water storage dam to improve the security of supply particularly over the summer period.
- Upgrade of storage dam to meet building consent requirements.

Residents are satisfied with the reliability of their water supply service.

How we measured success	How we did
Percentage of customers who are satisfied with the reliability of their water supply service. Target: 80%	Achieved - 93%

We monitor and resolve non-urgent service requests within one month.

How we measured success	How we did
Percentage of non-urgent service requests monitored and resolved within one month of receipt. Target: 90%	Achieved - 100%

Snapshot of Progress

Residents are satisfied with the water pressure.

How we measured success	How we did
Percentage of Customers who are satisfied with the water pressure. Target: 90%	Achieved - 92%

Water supply is adequate for public health purposes.

How we measured success	How we did
Confirmed illnesses attributable to consumption of WDC water supply services. Target: Nil	Achieved

How we went against our budget

Cost of Service Statement - Water Supply (\$'000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Te Kuiti Water	573	476	515
Mokau Water	561	1	3
Piopio Water	309	13	12
Benneydale Water	8	11	10
Total Operating Income	1,451	501	540
Operating Expenditure			
Te Kuiti Water	1,315	1,350	1,257
Mokau Water	258	262	258
Piopio Water	186	210	176
Benneydale Water	161	120	140
Total Operating Expenditure	1,920	1,942	1,831
Net Operating Cost/(Surplus)	469	1,441	1,291
Capital Expenditure			
Te Kuiti Water	319	124	267
Mokau Water	750	98	43
Piopio Water	444	2	10
Benneydale Water	21	12	26
Total Capital Expenditure	1,534	236	346
Total Expenditure	2,003	1,677	1,637
Funded By			
Loans	558	231	98
Reserves	94	108	263
Service Charges - Te Kuiti	782	779	688
Service Charges - Mokau/Awakino	239	232	259
Service Charges - Piopio	177	177	185
Service Charges - Benneydale	153	150	144
Total Funding	2,003	1,677	1,637

Variations to Annual Plan

OPERATING INCOME

Revenue was \$950,000 less than budget for the year.

The majority of budgeted revenue for Mokau and Piopio is subsidy for capital works projects which have not commenced. Subsidy has been awarded by the Ministry of Health for the Mokau scheme and it is expected that this work will be carried out in the summer construction season of 2011/2012. A subsidy application for Piopio has been lodged with the Ministry of Health.

Metered water revenue was less than budget due to reduced consumer by the major water users. It is understood that the major water users are recycling and making better use of the water they have drawn from the network.

OPERATING EXPENDITURE

Expenditure for the Water activity was \$22,000 more than budget for the year. There were unbudgeted losses on asset disposals for Te Kuiti water assets that were renewed during the year. Additional costs were also incurred for insurance and there were more pipe damages and breakages that occurred during the year than expected.

These additional costs were partly offset by reduced maintenance costs for the recently upgraded Benneydale scheme. There were also reductions in internal interest and overhead costs. The interest costs were less than expected as a result of less internal loans being raised because of delays in capital projects and lower than expected interest rates. The overhead costs were less than budget due to the capitalising of staff time on capital projects to comply with financial reporting standards.

CAPITAL EXPENDITURE

Water expenditure was \$1,298,000 less than budget due to the delay of capital works projects for Mokau and Piopio. The subsidy has been approved by the Ministry of Health for the Mokau scheme and it is expected that this work will be carried out in the summer construction season of 2011/2012. A subsidy application for Piopio was lodged with the Ministry of Health in March 2011 and the programmed works have been deferred until a decision on Ministry of Health funding is made.

2.14 Land Transport

What we do

The Land Transport activity involves the maintenance and development of roads, kerbs and channels, bridges, street lighting, footpaths and street cleaning for all of the Waitomo District, with the exception of the State Highways.

The latter are managed by New Zealand Transport Agency (NZTA). The WDC maintains its roads under contract to a standard that provides safe and comfortable driving within the limitations of available funding.

SUBSIDISED ROADING

NZTA the national road funding authority, provides a subsidy for works that meet the criteria for subsidy. The Activities currently subsidised by NZTA are:

- Sealed Pavement Maintenance
- Pavement Rehabilitation
- Unsealed Pavement Maintenance
- Sealed Surfacing
- Routine Drainage Maintenance
- Structures Replacements
- Structures Maintenance
- Drainage Renewals
- Environmental Maintenance
- CFA (Community Focussed Activities)
- Traffic Services Maintenance
- Associated Improvements
- Level Crossing Warning Devices
- Minor Improvements (formerly Minor Safety)
- Emergency Reinstatement
- Traffic Services Renewals
- Network & Asset Management
- Unsealed Road Metaling
- Professional Services

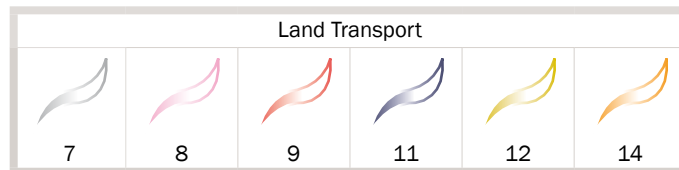
UNSUBSIDISED ROADING

These are activities carried out to ensure safe and efficient travel within and through the district as necessary for road or pedestrian safety and convenience but are not subsidised by NZTA. The WDC has sole financial responsibility for this activity. The functions include:

- Footpath Maintenance
- Footpath Renewals
- Amenity Lights
- Unsubsidised Miscellaneous Work
- Street Cleaning
- Carpark Maintenance (other than kerbside parking)
- Unsubsidised Roading

Contribution to Community Outcomes

The Land Transport Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

- Construction of a new deck on Bridge 121 Awakau Road. This is one of the Districts' posted bridges.
- Installation of several areas of guard rail across the district (\$200,000) completed through Minor and Associated Improvements.
- Installation of new street lights to replace existing lights that were in an unsafe condition completed.
- Installation of new street lights on Park Street at Te Kuiti to increase the safety around the school and sports fields.
- Reseal 47km of road throughout the District completed. The market rates allowed this work to be completed within our allocated budget. Two kilometres of the reseal programme were not completed due to reseal repairs not being completed on time.
- Pavement Rehabilitations carried out on Te Anga Road, Kopaki Road, Rora Street (3 sites), Totoro Road and Taharoa Road completed.
- Minor Safety Improvements were carried out on all pavement rehabilitation sites as well as Mangaokewa and Hauturu Roads completed.
- The network deficiency database established in 2009/10 was updated this financial year and work progressed on various perceived issues. \$50,000 of the minor improvement budget was spent on additional safety signage district wide to start addressing the deficiency database.
- Community Focussed Activities is a joint venture between WDC and Otorohanga District Council where \$88,000 is spent of road safety education within the two districts. The joint venture allows one Road Safety Co-ordinator to be employed and educate the community through activities such as fatigue stops, child restraint stops, driver licensing, speed and alcohol awareness.
- Restoration works carried out on notorious district slumps including Oparure 2.8, Taharoa Road (The Staircase) and Te Anga Road (Clayton-Greenes) were all completed.
- Re-scoping of the Roads Maintenance Contract for the next five year term. This tender closes in July 2011 and the successful tenderer will commence work in October 2011.

Looking Forward

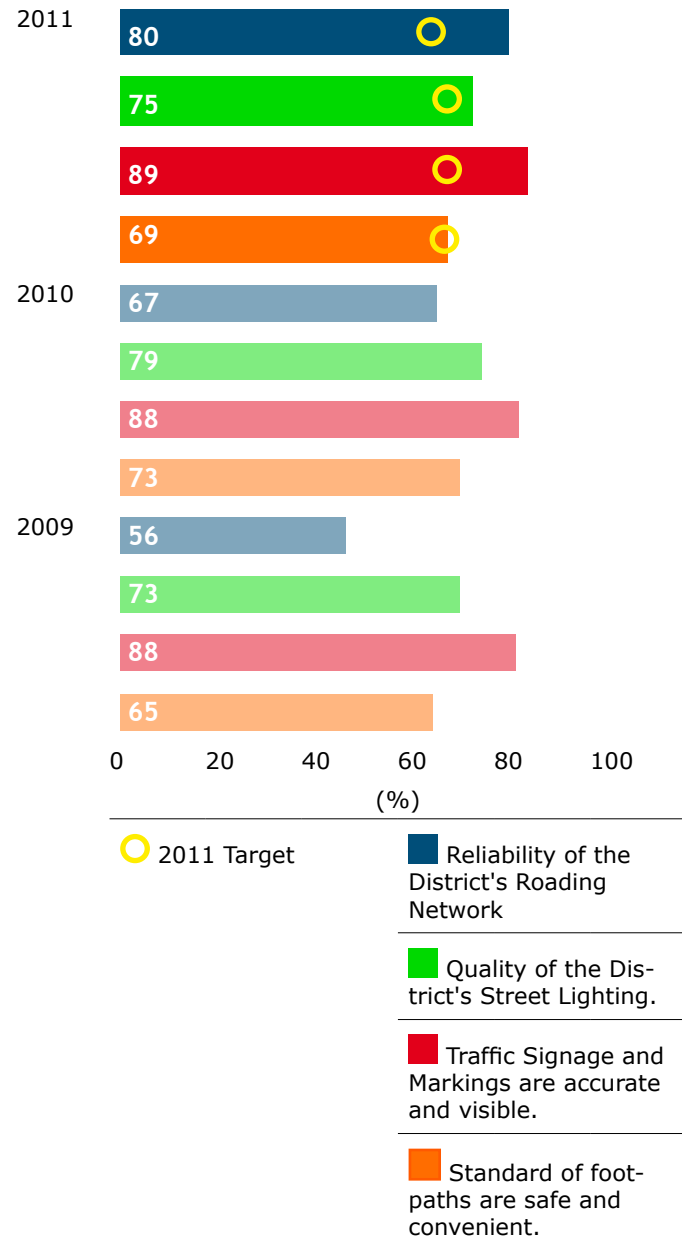
The following key projects have been established for the Land Transport Activity.

- Drainage renewals
- Sealed Pavement Surfacing
- Pavement Rehabilitation
- Structures components replacement
- Traffic services replacements
- Unsealed road metalling
- Emergency reinstatement works as required.

Snapshot of Progress

The transportation system is reliable and travel times are predictable.

The results of the 2011 Resident Satisfaction Survey, show an overall increase in resident satisfaction with three of the four Land Transport performance measures.



The network's traffic marking and signage facilities are up to date, in good condition and 'fit for purpose'.

How we measured success	How we did
The number of complaints per month regarding missing, damaged or inaccurate road signage. Target: <3	Achieved

The roading corridor feels safe to the user.

How we measured success	How we did
The number of complaints per month regarding damaged footpaths. Target: <3	Achieved

How we went against our budget

Cost of Service Statement - Land Transport (\$'000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Subsidised Roads	5,222	5,921	5,039
Non Subsidised Roads	40	70	64
Total Operating Income	5,262	5,991	5,103
Operating Expenditure			
Subsidised Roads	8,499	9,016	7,376
Non Subsidised Roads	332	349	358
Total Operating Expenditure	8,831	9,365	7,734
Net Operating Cost/(Surplus)	3,569	3,374	2,631
Capital Expenditure			
Subsidised Roads	4,507	4,268	4,545
Non Subsidised Roads	489	49	58
Total Capital Expenditure	4,996	4,317	4,603
Total Expenditure	8,565	7,691	7,234
Funded By			
Loans	2,115	1,681	2,310
Reserves	2,201	1,814	909
Uniform Annual General Charges	198	195	206
District Wide Rate	2,545	2,512	2,942
Catch Up Rate	1,214	1,198	625
Target Services Rate - Rural	29	29	24
Target Services Rate - Urban	263	262	218
Total Funding	8,565	7,691	7,234

Variations to Annual Plan

OPERATING INCOME

Revenue was \$729,000 more than budget due to additional subsidy revenue being received from NZ Transport Agency (NZTA) for emergency reinstatement work that was required after rain events during September 2010 to June 2011.

OPERATING EXPENDITURE

Expenditure in the Roads activity was \$534,000 more than budget due to additional costs incurred with emergency works. Depreciation was also higher than expected as a result of asset additions being accounted for during the year in the months that construction or renewal of the asset occurred. The budgets were prepared on the basis that depreciation charged would commence in June 2011.

These additional costs were partly offset by a reduced level of sealed pavement maintenance which was not completed during the period when optimal weather conditions were available. There were also reductions in internal interest and overhead costs. The interest costs were less than expected as a result of lower than expected interest rates and the result of a change in allocating actual interest costs across activities.

CAPITAL EXPENDITURE

Road expenditure was \$679,000 less than budget due to mainly a reduced capital programme in response to Council's Financial Sustainability and Rates Affordability Review and to cover the unplanned emergency reinstatement expenditure that occurred during the year. With the removal of NZTA funding for walking and cycling facilities, WDC also reduced its programme for construction for new footpaths.

2.15 Investments

What we do

Waitomo District Council has investments in land and other entities that it manages for the benefit of the community and to generate income.

COUNCIL CONTROLLED ORGANISATIONS

Investment in Local Authority Shared Services (LASS)

The Council has an equal share with each of the 13 local authorities situated within the boundaries of the Waikato region, in LASS Ltd. The principal objective is for the Company to provide the most effective access to regional information of mutual value to the regional community using modern technology and processes.

Investment in Inframax Construction Ltd (ICL)

Inframax Construction Ltd is a roading construction and maintenance company wholly owned by the Council as a Council Controlled Trading Organisation.

As in previous years, the Council will continue to evaluate it's investment in ICL having regard to the impact of its decisions on the social and economic well-being of the District community, in accordance with the Local Government Act 2002.

INVESTMENT PROPERTIES

Council Owned Quarries

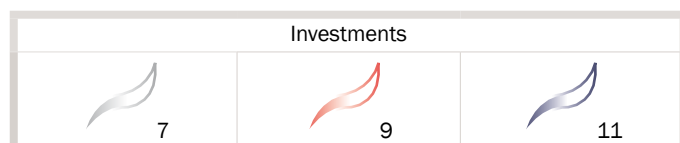
Maintenance and management of Council owned quarries. The Council owns 24 quarries throughout the District of which seven are currently operational. The quarries are a major source of aggregate in support of the Council's substantial road maintenance/construction activities.

Forestry located at Waitomo District Landfill

Maintenance and management of forestry located at Waitomo District Landfill. The forestry was predominantly planted in 1994 and comprises some 15.7 hectares of pine trees.

Contribution to Community Outcomes

The Investment Activity contributes to the following Community Outcomes (See section 1.5).



Major Projects in 2010/11

WDC has monitored the performance of its investment share-holding in the Company on an ongoing basis.

WDC's Shareholder Representative Committee has met with the Company Board or its representatives on a regular basis to monitor financial performance and financial forecasts for the Company. The Committee in turn has provided regular verbal reports back to the full Council.

Snapshot of Progress

Investments contribute to economic and social well-being.

How we measured success	How we did
Company performance and future investment in Inframax Construction Limited reviewed on an annual basis.	WDC's Shareholder Representative Committee has met frequently with the company's Board of Directors over the last 12 months and has been monitoring and reviewing the performance and financial forecasts of the company and assessing the value of Council's future investment in the company on an ongoing basis.

How we went against our budget

Cost of Service Statement - Investments (\$'000's)	2011 BUDGET	2011 ACTUAL	2010 ACTUAL
Operating Income			
Inframax Construction Ltd	0	0	(8,400)
Investment Properties	80	13	74
Total Operating Income	80	13	(8,326)
Operating Expenditure			
Inframax Construction Ltd and LASS	598	657	302
Investment Properties	68	38	19
Total Operating Expenditure	666	695	321
Net Operating Cost/(Surplus)	586	682	8,647
Capital Expenditure			
Inframax Construction Ltd	0	0	2,000
Total Capital Expenditure	0	0	2,000
Total Expenditure	586	682	10,647
Funded By			
Loans	0	0	2,000
General Rates	291	285	401
Uniform Annual General Charge	295	292	0
Reserves	0	105	8,246
Total Funding	586	682	10,647

Variations to Annual Plan

OPERATING INCOME

Revenue was \$67,000 less than budget for the year. A revaluation loss for WDC's forestry asset was recognised against revenue for this year. Operating revenue for the quarry was also less than budgeted as a direct result of reduced levels of quarrying undertaken by Inframax Construction Ltd.

OPERATING EXPENDITURE

Expenditure was \$29,000 more than budget for the year. In addition to valuation and tax accounting fees paid, other consultancy and legal fees have been incurred for strategic reviews of Council's investment in the Company. Interest costs were also less than budgeted due to a reduction in interest rates than what was used in the budget preparation.