

## WAITOMO DISTRICT COUNCIL

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### MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 26 MAY 2015 AT 9.00AM

**PRESENT:** Mayor Brian Hanna, Deputy Mayor Guy Whitaker, Council Members Phil Brodie, Terry Davey (for part only), Allan Goddard and Sue Smith

**IN ATTENDANCE:** Chief Executive; Executive Assistant; Group Manager – Corporate Services (for part only); Corporate Planner (for part only); Group Manager – Customer Services (for part only); Group Manager – Assets (for part only); Group Manager – Community Services (for part only); Environmental & Regulatory Services Leader (for part only) and Community Development Coordinator (for part only)

<b>1. Council Prayer</b>
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<b>2. Declarations of Member Conflicts of Interest</b>	<b>File 037/051A</b>
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No declarations were made.

<b>3. Verbal Reports: Individual Councillor Roles and Responsibilities</b>	<b>File 037/040B</b>
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Cr Brodie

- Maniapoto Treaty Settlement Debate
- Speed Management Group Meeting
- LTP Hearing
- Waipa Catchment Field Day at Honikiwi
- Mokau Sands Consent Hearing

Cr Te Kanawa

- TKDI
- Community House
- Aubrey Te Kanawa Papakainga

Cr Goddard

- Benneydale Hall Inc

Cr Davey

- Te Kuiti Development Incorporated

Cr Smith

- Mayoral Graduation ITO Awards Ceremony
- Tere Waitomo Meeting
- Constable Perry Griffin's Farewell (Kawhia)

Cr Whitaker

- Brook Park
- Destination Pureora
- Te Kuiti Development Incorporated
- Constable Perry Griffin's Farewell (Kawhia)

The Group Manager - Customer Services entered the meeting at 9.08am.

The Group Manager – Assets entered the meeting at 9.09am.

The Group Manager – Community Services entered the meeting at 9.13am.

Mayor

- Mayoral Graduation ITO Awards Ceremony
- Otorohanga District Development Board
- Rules Reduction Meeting
- Citizenship Ceremony
- Social Sector Trials Governance Meeting
- Joint Zone 1/Zone 2 Meeting
- Meeting with Hekia Piarata
- Citizens Award Working Party Meeting
- Laurence Smith Funeral
- Meeting with David Bailey
- Sport Waikato
- Inframax Construction Ltd
- Maniapoto Family Violence Intervention Meeting
- Ultra Fast Broadband Meeting
- Waikato Spatial Plan Workshop
- Mokau Sands Hearing
- Constable Perry Griffin's Farewell (Kawhia)

**Resolution**

The verbal reports be received.

Goddard/Te Kanawa          Carried

<b>4.</b>	<b>Confirmation of Minutes – 29 April 2015 and 11 May 2015</b>	<b>File 037/040B</b>
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**Resolution**

- 1        The Minutes of the Waitomo District Council meeting of 29 April 2015, including the Public Excluded Minutes, be confirmed as a true and correct record.
  
- 2        The Minutes of the Waitomo District Council meeting of 11 May 2015 be confirmed as a true and correct record subject to correcting the spelling of Chris Irons name throughout the Minutes.

Goddard/Smith          Carried

<b>5.</b>	<b>Deliberations on Submissions to the Waitomo District Council 2015-2025 Long Term Plan</b>
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	<b>File 037/040B</b>
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Council considered a business paper –

- providing guidance on a response to submissions process for the 2015-2025 Long Term Plan (LTP), the Rates Remission Policy and the Revenue and Financing Policy to assist with the deliberations; and
- presenting a Management Submission on matters in development since the Consultation Document (CD) was issued to the community, and which might impact on the 2015-25 Long Term Plan.

A copy of a “working draft” Long Term Plan document was provided for feedback as to layout of the document.

The Group Managers expanded verbally on the business paper and answered Members’ questions.

### **Resolution**

- 1 The business paper on Deliberations on Submissions to the Waitomo District Council 2015-2025 Long Term Plan be received.
- 2 The late submissions received from Carol Fagan and the Waitomo District Youth Council be received and included for deliberation.
- 3 The Seal Extension Investigation – State Highway 30 to the Timber Trail Entrance be completed.
- 4 Council recognises the value in liaising with Iwi and will continue to proactively liaise at Regional Management Committee level. Council will also include Iwi Liaison in its Road Map Work Programme to consider how it wishes to continue Iwi liaison in future.
- 5 Submission 8: ClubChamps – Council add a review of the Schedule to the Public Places Bylaw into the Road Map Work Programme.
- 6 Submission 6: William Oliver - Question No 3 – Remove the 2nd Commentary paragraph in the Analysis Table.
- 7 Submission 22: Federated Farmers – Topic 50 (Transparency) – rebut the comment that Council has misled its community and amend the commentary accordingly in the Analysis Table.
- 8 A full Spelling and Grammar Check of the Analysis Table be completed.
- 9 Mowing Levels of Service: A report be prepared providing the dollar comparison of providing the Parks & Reserves service in-house versus the cost when previously contracted out.
- 10 Changes to the 2015-25 Long Term Plan Financial Forecasts be adopted as per Table 1 below.
- 11 The Chief Executive be delegated authority to ensure that all other amendments requested by Council together with feedback from Council’s Auditors is accurately reflected in the 2015-25 Long Term Plan prior to adoption by Council in June 2015.

- 12 Council approve analysis of the Submissions as per the Tables 2, 3 and 4 below.

Davey/Whitaker Carried

<b>Table 1</b>			
<b>Changes to the 2015-25 LTP Financial Forecasts</b>			
<b>Issue/ Matter</b>	<b>Treatment</b>	<b>Implication</b>	
		<b>Amount /Year</b>	<b>Effect on</b>
<b>Community Services</b>			
<u>Tree Maintenance</u> The funding of a "reactive" response to the maintenance of town trees, predominately on road reserves and undertaken by external contractors, has historically been undertaken through Parks & Reserves. These tree assets are increasing in size and require more maintenance rather than just reactive maintenance when damage occurs. Local residents seem also to be more aware and are bringing the trees issues forward.	New Budget for Tree Maintenance under Public Amenities	\$10,000/year (Y1 to Y10)	Rates
<u>Mowing Levels Of Service</u> The Levels of Service (LoS) set for the Internal Contractor (ISU) are as per the original external contract which terminated in 2011. For much of the year, the LoS and quality achieved is above the standard required by the contract. However, during peak growth periods that new higher LoS is difficult to sustain (although it is still within the requirements of the contract). This occasional LoS gap is the source of complaints.	Increase mowing budget to enable additional mowing during the peak periods	\$15,000/year (Y1 to Y10)	Rates
<u>Toilet Replacement – Benneydale</u> Better information on cost is now available as a result of the recent tender process for the Piopio Replacement Toilets.	Increase Budget from \$165k	\$55,000 (Y1)	Debt
<u>Toilet Replacement – Marokopa</u> Better information on cost is now available as a result of the recent tender process for the Piopio Replacement Toilets.	Increase Budget from \$165k	\$55,000 (Y1)	Debt
<u>Centennial Park</u> This is a proposal to transfer the ownership of the Albions Soccer Pavilion to WDC ownership and undertake an upgrade. This is so that the Pavilion can be used as park clubrooms for Junior Soccer and other potential clubs.	Increase budget to enable upgrade	Total \$65,000 \$25,000 Grant Revenue	Debt (\$40,000 for upgrade)
<b>Regulation</b>			
Monitoring costs estimated at \$20,000, enforcement costs might be required.	Increase regulatory budget	\$60,000 (Y1)	Reserves

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<b>Changes to the 2015-25 LTP Financial Forecasts</b>			
<b>Issue/ Matter</b>	<b>Treatment</b>	<b>Implication</b>	
		<b>Amount /Year</b>	<b>Effect on</b>
<b>Community Development</b>			
<u>UFB2/RBI2/Mobile Blackspot Initiative</u> The Registration of Interest for seeking Government funds for these initiatives requires some level of Council investment and assistance e.g. marketing and communications, regulatory assistance to facilitate deployment, Council investment in some infrastructure, and development of Digital Enablement Plan.	Build in budget capacity to enable these initiatives	\$15,000 (Y1) \$50,000 (Y2)	Rates
<u>Motorhome Friendly District</u> Make provisions for a Motorhome Friendly District (in a staged manner) like providing for overnight parking which may require seal surfacing/ entranceways/curb and channelling/etc, potable water, waste stations, signage and the like.	Add capacity in budget for this work stream	\$40,000 (Y1 to Y4)	Debt
<b>Water</b>			
<u>Metered Water Revenue – Benneydale, Mokau and Piopio</u> Year to date revenue information indicates a significant drop in water consumption for Benneydale and Mokau, and to a lesser extent for Piopio, when compared to the prior year. Benneydale: Dec 2013 - \$9,401; Dec 2014 - \$302 Mokau: Dec 2013 - \$16,000; Dec 2014 - \$1,000	Decrease budgeted revenue	\$80,000 decrease (Y1 to Y10)	Reserves used for Y1
Backflow prevention and Seismic strengthening in Te Kuiti, Mokau and Benneydale	Increase in Capex budgeted	\$83,000 (Y1) \$63,000 (Y2) \$73,000 (Y3) \$50,000 avg/year (Y4-Y10)	Debt and Reserves
<b>Investments</b>			
<u>Loan to Inframax Construction Ltd</u> Inframax has sent a letter (20 May 2015) requesting an extension of the \$750,000 provided to them by Council.	Loan be extended for two years to November 2017	\$750,000	Debt

### Analysis of Submissions

Each submission has been evaluated and categorised under one of the pathways outlined below. This method assists a comprehensive assessment of submissions by Council. The suggested pathways are:

<b>Critical Review (C)</b>	The issue forms part of the proposals under consultation for the Long Term Plan (LTP). Council decision on this issue could require making changes to the LTP documentation and impact on the financial forecasts contained in the LTP.
<b>Urgent Review (U)</b>	The issue is strategic, important, and should be addressed in the coming financial year. The total number of matters able to be addressed is limited by organisational capacity.
<b>Scheduled Review (S)</b>	The issue(s) raised do not form part of the proposals under consultation but is strategic in nature and could be investigated as part of a scheduled review of the relevant strategic documents e.g. Annual Plan, District Plan or other scheduled reviews of policies and plans.
<b>Operational (O)</b>	The issue(s) relate to a day to day operational or service delivery matter and can be dealt with as part of Council's existing service request system.
<b>Communication (Comm)</b>	The issue(s) raised might not be specific to a matter or proposal offered up for submission in the LTP documentation. The nature of the issue(s) does not warrant a policy review, investigation or change to the LTP. Note: It is important the context to the issue(s) is/are clearly communicated.

### **TABLE 1: Details of Submissions that relate to Questions in CD**

#### Questions:

- Community Development: Economic Growth – Method of Delivery:
  - Option 1: **(Preferred)** In-house delivery and/or facilitation of agreed initiatives.
  - Option 2: Delivery through the establishment and funding of a separate legal entity e.g. a Economic Development Board.
- Should Council continue with its focus on Economic Development in a staged but steady manner?
- UAGC and General Rates:
  - Option 1: Maintain Status Quo.
  - Option 2: **(Preferred)** Change funding split and limit increases in value of UAGC.
- Debt Reduction Method:
  - Option 1: Levy an additional new rate calculated at an amount equivalent to 1% of total property rates.
  - Option 2: **(Preferred)** Continue funding reserves for debt reduction purposes and no additional 1% on rates.

<b>Table 2</b>					
<b>Details of Submissions that relate to Questions in Consultation Document</b>					
<b>Sub No</b>	<b>Submitter</b>	<b>Question Number</b>	<b>Topics</b>	<b>Action Pathway</b>	<b>Comment</b>
003	Geoff Benefield	1	The Submitter does not support either method of delivery for economic development as it adds to rates and he believes this should be self funding. The Submitter asks Council to prove how the focus on economic development will benefit him in his business.	C	<p>Council notes that you do not support either method of delivery proposed for economic development activities (in-house or through a separate entity).</p> <p>Focussing on economic development has been a priority of Council for the last three years, as signalled in the 2012-22 LTP.</p> <p>Through the 2015-25 LTP Council's intention is to enhance this focus and an in-house method of delivery is intended in order to gain maximum efficiencies. There are no plans to increase costs of delivery at this stage.</p> <p>Council's aim is to support the growth of our local economy by effectively promoting our District's attractions as well as supporting local business initiatives and projects. This is a key aspect of delivering on our vision for the District. Council believes that a vibrant community with thriving businesses, which attracts more people to the Waitomo District, will ultimately benefit everyone that lives in the District.</p>
		4	The Submitter supports Question 4: Option 2 (no additional 1% for debt reduction) as he considers that there is no way ratepayers should pay extra for some years of mismanagement.	C	Thank you for your support of Council's preferred solution to reduce debt.
004	Robin Charteris	1	The Submitter supports present initiatives for economic development.	C	Council thanks you for your submission supporting Council's present initiatives.
006	William John Oliver	1 & 2	The Submitter supports the external delivery for Council's economic growth objectives as he considers that this option brings in independence, and opportunity for great governance by top business people or indeed citizens. (Note: option selection is influenced by when or if Waitomo Council is merged with rest of Waikato, therefore, potentially a waste of money).	C	<p>Thank you for your support of Council's proposal to focus on economic development in a staged and steady manner. Council's financial performance has progressed significantly over the last 3 years. This is as a result of Council's multi-pronged approach of improving its Reserves balance, efficiency in spending, reducing cost of finance and a focus on increasing operating income where possible. Council's overall financial sustainability is a key consideration when investment choices are made.</p> <p>Council notes that you do not support the proposal for the in-house delivery and/or facilitation of agreed initiatives for economic growth,</p>

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			The Submitter Supports Council focus on economic development in a staged and steady manner but comments that must be careful with investment with a weak balance sheet.		but would prefer to see an Economic Development Board established.  Council considers that the in-house delivery of our economic growth objectives offers a more efficient and cost effective delivery method at this time. As part of the in-house development of an Action Plan for economic development, Council will be engaging with the community, which will include key sectors and leaders within the business community.
		3	The Submitter supports Question 3: Option 1 (no change to funding splits in RFP). Understands that this option will bring higher rates to some who will struggle but believes people need to pay own way and the more you subsidise the more they will take.	C	Council notes that you do not support the change to funding splits between the UAGC and General Rates.  One of the guiding principles underpinning Council's Financial Strategy is to maintain affordable rates increases to deliver the services and facilities required by the community.  Council is required to make decisions in the interests of Community well-being and financial sustainability by considering the impact of all rates on all properties. Council considered that it would not be prudent (in terms of the rates affordability and fairness and equity principles) to increase the UAGC to \$880. To do so will place an onerous financial burden on ratepayers on fixed incomes – e.g. pensioners, invalids and other such beneficiaries.  Council intends to limit the increase in the value of the UAGC in any year to the percentage increase in the Local Government Cost Indicator (LGCI) for that year. This proposal will assist in maintaining rates affordability for all rateable properties within the District.
		4	The Submitter supports Question 4: Option 2. Advises Council must keep discipline in debt reduction. The Submitter congratulates Council on change and progress to date in spending and debt control.	C	Thank you for your support of Council's preferred solution to reduce debt. We note your advice to ensure we keep disciplined in our approach to debt reduction.
013	John Reeves	4	The Submitter is positive concerning the Council's debt reduction over the period to 2025. However, he states that rate payers would hope that fiscal responsibility is kept up over this period whatever changes there are with councilors.	C	Thank you for your support regarding Council's forecast for reducing public debt over the 10 years to 2025. Reducing debt remains a key priority for Council. Guided by the debt reduction strategy, we are committed to decreasing public debt by \$14 million (approximately 30%) over the life of the plan.  We understand the need for prudent spending and therefore we have

Table 2 Details of Submissions that relate to Questions in Consultation Document					
Sub No	Submitter	Question Number	Topics	Action Pathway	Comment
			He advises that spending needs to be prudent so that debt is kept down and that eventually rates can be reduced so, that they are in line with other Councils, that they reflect the ability of ratepayers to pay and that they encourage growth in the district.		balanced the service delivery needs and future plans for development with what is affordable thereby keeping the rates increases proposed at an annual average of 3.18% over the next 10 years.
016	Waitomo Caves Discovery Centre	1	<p>The Submitter considers Council should continue with its focus on economic development in a staged but steady manner.</p> <p>The Submitter identified the following concerns if the Council decided to proceed with a District Development Board (DEDB):</p> <ul style="list-style-type: none"> <li>• Support is somewhat guarded as the make-up of the Board, their responsibilities and remit remain unknown. If Council has geographical representation on the DEDB, it is vital that a strong appointment from the tourism industry sits on the proposed DEDB.</li> <li>• The relationship between Council and the Hamilton &amp; Waikato Regional Tourism Organisation should remain external to the proposed DEDB.</li> <li>• It is important that a close relationship exists between the districts i-SITEs and the proposed DEDB.</li> </ul>	C	<p>Thank you for your support of Council's focus on economic development in a staged but steady manner.</p> <p>Your concerns regarding the establishment of a District Development Board are noted.</p> <p>It is Council's intention to proceed with its preferred option of an in-house method of delivery to achieve its economic growth objectives.</p> <p>The tourism sector is a key stakeholder in economic development initiatives and activities for the Waitomo District and will be consulted with accordingly.</p>
019	Population Health	1	<p><b>Economic Growth</b></p> <p>The Submitter supports Council's direction in growing the local economy by effectively promoting the district's attractions and supporting local business initiatives and projects.</p>	C	An Economic Development Action Plan is in the process of being developed. It will include input from the key stakeholders within the communities and will have a focus on the tourism sector.
020	Maraeroa C Incorporation	1	The Submitter supports the in house delivery of economic growth and / or facilitation of agreed initiatives and believes Council should continue	C	We note your support of Council's preferred method of delivery for economic development initiatives.

Table 2 Details of Submissions that relate to Questions in Consultation Document					
Sub No	Submitter	Question Number	Topics	Action Pathway	Comment
			<p>with its focus on economic development in a staged but steady manner.</p> <p>The Submitter considers that Council should:</p> <ul style="list-style-type: none"> <li>• Provide forums for Innovation and Research discussions to take place. Particularly in regard to encouraging better and more efficient use of land and resources. (Attracting investment to the district would be included in the role).</li> <li>• Explore horticulture as an area of economic development. Waitomo lands can produce more high value crops like blueberries and ginseng for the Asian markets which are huge.</li> <li>• Consider a large TV screen at the railway Hub showcasing what Waitomo has to offer to get the message across to tourists better so they stay in town or the district longer.</li> </ul>		<p>Thank you for your suggestions in relation to economic development initiatives in both your written and verbal submission.</p> <p>Council is in the process of developing an action plan for economic development and a critical element in the Action Plan is intended to be engagement with key stakeholders within the district to identify priority initiatives.</p> <p>Council considers Maraeroa C to be an important stakeholder in our District and will look to engage with you more closely in this and other areas.</p>
		1	<p>Due to the increased visitors for the Timber Trail, the Submitter also considers that:</p> <ul style="list-style-type: none"> <li>• Benneydale needs more investment, with better footpaths and a proper park or parking area for visitors to stop.</li> <li>• Pureora has the makings of a Tourism Hub like Waitomo but the roads need sealing badly. Sealing Maraeroa Road should be a priority as hundreds of visitors use this road each month and are welcomed with dust and pot holes at present.</li> </ul>	Comm	<p>The points you have raised in relation to increased investment in Benneydale are noted.</p> <p>Council agrees with the need for more facilities and is working towards identifying and providing these balanced with affordability matters.</p> <p>Improvements to the park/ playground, replacement of public toilets and developing a caravan dumping station are some of the improvements planned at the present time. Council is also working with key stakeholders to endorse road safety improvement measures.</p> <p>The need for sealing of Maraeroa Road has been highlighted as an issue to Council and is currently being investigated.</p>
		1	<p>The Submitter considers that funding for the newly formed Destination Pureora Inc would be welcomed by the volunteers that are working to attract more people to the region and ensure visitors find the best solutions for their</p>	Comm	<p>Council recognise that the success of Destination Pureora depends on committed volunteers.</p> <p>Council encourages Destination Pureora to make applications to appropriate funders available to them and also look at the funding</p>

Table 2 Details of Submissions that relate to Questions in Consultation Document					
Sub No	Submitter	Question Number	Topics	Action Pathway	Comment
			needs whether it be accommodation, shuttles, cafes etc.		models that other cycle trails have adopted.  Council has a Community Development Fund Policy that forms the basis for the provision of funding grants to assist community organisations which Destination Pureora could look into.
		3	The Submitter supports the change to funding split between UAGC and General Rates and limiting increases in value of the UAGC as this appears a logical change to a more equitable funding model (Question 3).	C	Thank you for your support of Council's preferred option to address transparency and equity issues in the funding split between the UAGC and General Rates.
		4	The Submitter supports the continued funding of reserves for debt reduction purposes and advises that it is good to see a plan in place for debt reduction without placing too much of the burden on ratepayers.	C	Thank you for your support of Council's preferred option for reducing debt.
21	Moepatu Borell	1	<p>The Submitter supports inhouse delivery and/or facilitation of agreed initiatives, but suggests that WDC look at further organisations that are already doing financial viability projects. eg Maniapoto Maori Trust Board has a project called "Nga ahorangahau". This project ultimately provides a scoping report recommending the most viable economic development options for a number of land blocks selected at random. Are there other such projects that WDC can utilise instead of re-inventing what is already available in the search for better use of land and thus increased prosperity /employment?</p> <p>The Submitter does not believe Council should continue with its focus on economic development in a staged but steady manner and suggests that Council re look at the waitomo community. People are losing their homes to mortgagee sales and are not strong and resilient. Population and prosperity is largely dependent on income. Something is</p>	C	<p>Thank you for your support of Council's preferred option to deliver economic growth.</p> <p>Council notes that you do not support the proposal for Council to continue with its focus on economic development in a staged but steady manner.</p> <p>Council considers that focussing on economic development in the face of a shrinking population will support our local economy. Effectively promoting our district's attractions as well as supporting local business initiatives and projects should contribute to attracting more people to the Waitomo District which will ultimately benefit everyone that lives in the community.</p> <p>Council is very interested in projects that are already happening in the community in the economic development space. Council has already attended a presentation on the Nga Ahorangahau project run by Maniapoto Maori Trust Board and is keen to stay in touch with the development of this project.</p>

Table 2 Details of Submissions that relate to Questions in Consultation Document					
Sub No	Submitter	Question Number	Topics	Action Pathway	Comment
			wrong with the present Economic Development Council Plan.		
		3	The Submitter supports neither option for Question 3 as the Submitter believes Te Kuiti rates are barely affordable as they stand. The Submitter considers the answer to be in expanding the economy not on further burdening the dwindling population.	C	Council notes that you do not support either a change to funding splits between the UAGC and General Rates or the status quo. This proposal will not increase rates in any way. We were seeking feedback on how the pie can be sliced. Council's preferred option was to be more transparent in the funding split and reduce the amount charged through UAGC so as to ease the burden on fixed and lower income property owners.  We also note your recommendation during the hearings that Council needs to look at other ways to bring money into this town.  Council's focus on economic and community development in our community for the last 3 years and into the next LTP is intended to assist exactly with this i.e. facilitate and support the expansion of the local economy.
		4	The Submitter supports continuing to fund reserves for debt reduction purposes and states do not increase the financial burden that residents (not absent landlords) already carry (Question 4).	C	Thank you for your support of Council's preferred option for debt reduction.  One of the guiding principles underpinning Council's Financial Strategy is to maintain affordable rates increases to deliver the services and facilities required by the community. Council has kept rates increases proposed at an annual average of 3.18% over the next 10 years.
022	Federated Farmers of New Zealand	1	<b>Economic Growth</b> <ul style="list-style-type: none"> <li>That the Council adopts the preferred Option 1 method of delivery (in house)</li> <li>A targeted uniform rate is supported.</li> </ul>	C	Thank you for your support of Council's preferred solution to deliver economic growth.  Our economic development objectives are funded via the District Development Rate (which is a targeted rate) and General Rates.
		4	<b>Debt Reduction</b> <ul style="list-style-type: none"> <li>The Submitter recommends that Council strongly considers Option 1 – a small uniform debt reduction rate. This preference is subject to the endorsement that this is a targeted uniform charge – with separate transparent line item on the rates</li> </ul>	C	Council notes your preference for levying a rate for debt reduction.  Council has evaluated the options carefully and considers it appropriate to stay with its preferred option of appropriate and required funding of reserves and their redeployment as a debt reduction mechanism, at the present time.

Table 2 Details of Submissions that relate to Questions in Consultation Document					
Sub No	Submitter	Question Number	Topics	Action Pathway	Comment
			invoice.		
023	Maniapoto Maori Trust Board	1	<p>The Submitter has recommended the following option as an addition to the economic growth component to the LTP review:</p> <ul style="list-style-type: none"> <li>Initiate the development of an Economic Development Forum that incorporates key stake holders within the Waitomo community inclusive of the Maniapoto Maori Trust Board. The purpose would be to align economic growth strategies of key stakeholders and identify priorities for the next 10 to 25 years.</li> </ul> <p>This option will then in turn give credence to the second key focus as identified by the Council of "Community Connectivity and Development". The forum could in turn help drive an agreed action plan.</p>	Comm	<p>Council notes your recommendation to implement an Economic Development Forum that incorporates key stakeholders.</p> <p>Council is in the process of developing an action plan for economic development and a critical element in the Action Plan is intended to be engagement with key stakeholders within the district to identify priority initiatives, Maniapoto Maori Trust Board being one of these.</p>
024	Hauauru Ki Uta Regional Management Committee	1	Economic Development and District Promotion Initiatives (\$389k): The Submitter expects to be involved in the review of the use of Maniapoto names (eg 'Waitomo' and area).	Comm	There is no review planned for place names at the present time.
		1	Economic Development and District Promotion Initiatives (\$389k): The Submitter expects a review of Maniapoto significant areas.	Comm	Council will be undertaking a review of the Waitomo District Plan, part of which will be a review of areas of significance. A consultation process will be followed for this.
		1	Economic Development and District Promotion Initiatives (\$389k): The Submitter expects Maori visibility in the area (eg Waitomo/Hangatiki road entranceway and interpretation panels on the history of the area).	Comm	Whilst Council support your suggestions as a means of profiling our District, this type of activity is not within the Council's scope. State Highway's are managed by NZTA.
		1	Economic Development and District Promotion Initiatives Option 1 - \$29 per property - Maniapoto to be involved in the development of initiatives and	C	<p>It is Council's intention to proceed with its preferred option of an in-house method of delivering its economic development objectives instead of setting up a separate Board.</p> <p>Council is in the process of developing an action plan for economic</p>

Table 2 Details of Submissions that relate to Questions in Consultation Document					
Sub No	Submitter	Question Number	Topics	Action Pathway	Comment
			marketing. Option 2 - \$34 per property – Economic Development Board –the Submitter expects Maniapoto representation on the Board		development and a critical element in the Action Plan is intended to be engagement with key stakeholders within the district to identify priority initiatives.  Council is very interested in projects that are already happening in the community in the economic development space. Council has already attended a presentation on the Nga Ahorangahau project run by Maniapoto Maori Trust Board and is keen to stay in touch with the development of this project.

Table 3 All Other Submission Topics					
Sub No	Submitter	Topic No	Topics	Action Pathway	Comment
001	Physicians and Scientists for Global Responsibility	1	The Submitter urges all Councils to apply strong precautionary policies on genetically engineered organisms for Unitary, Local and Regional plans to meet the duty of care to their community and to protect district environments.  The Submitter also calls on Councils and District Health Boards to be cognisant of the risks of genetically engineered organisms in terms of human health.	Comm	<u>Note:</u> <i>The submission seems to be a generic document forwarded to Councils throughout New Zealand.</i>  We thank the Trust for its submission and acknowledge its concern and advice on human health matters raised.  Council is not directly involved in matters related to genetically engineered organisms. Any related policies would typically be in the Central Government or possibly Regional Council purview.  The matters raised are not related to the proposals for the 2015-2025 LTP that Council is consulting on.
002	Te Waikaminenga Wahi o Maniapoto	2	The Submitter wishes to meet in relation to upholding and enacting the sovereign order of our country with respect to Tiriti o Waitangi 1840. The Submitter is concerned that many local authorities are undertaking consultation with long term plans and are proposing or have enacted policy that is in breach of Te Tiriti o Waitangi 1840 and undermines Maniapoto and other hapu and exposes our country to a foreign takeover through the financial system via Free Trade Agreements (Eg. TPPA) and the mismanagement of taking on debt. Policy relating	Comm	<u>Note:</u> <i>The submission seems to be a generic document which has been forwarded to a number of the Councils in this area.</i>  Thank you for your submission.  The matters raised in the submission are not related to the proposals for the 2015-25 Long Term Plan that Council is consulting on.  The role, authorities and responsibilities of local authorities are set out under Local Government Act 2002. Council's prepare Long Term Plans, Policies and Bylaws mainly as per the requirements and provisions of this Act.

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			<p>to using any natural resource (natural capital) such as water, land, sea, forestry, biodiversity as collateral for debt is a treaty breach under Te Tiriti o Waitangi 1840.</p> <p>The Submitter objects to the imposition of council bylaws, and corporate laws being imposed on marae, papakainga, Maori land, water bodies, sea, reserves and parks etc which creates a situation where their inalienable rights, tikanga, and customs are being undermined or denied through the assimilative policies of corporate industrial standards, and corporate law.</p> <p>The Submitter is upset at the fact that as descendents of treaty signatories that they are being undermined by corporate entities such as iwi trust boards, incorporations, and faux sovereigns purporting to represent them.</p>		<p>The Long Term Plan is a document outlining Council's overall direction, proposed services and budgets for the forthcoming 10 years and the proposed funding for it. It is therefore essentially a strategic and financial planning document. However, Council recognises that Maori are a significant part of the district and seeks to work closely with Maori and foster and further enhance its relationship and communication with Maniapoto and other hapu in the District.</p>
005	McGuinness Institute	3	<p>This submission takes the form of an overview of the Submitter's recent work which is intended to provide strategic foresight through evidence based research and policy analysis. The Submitter does not have any specific recommendations. They consider the projects described in their submission could provide a useful context on certain issues when finalising the long term plan.</p>	Comm	<p>Thank you for your submission and the provision of an overview of your recent work. Considerable advantage could have been achieved from this type of document and the information researched, if it were available earlier in the LTP development process. It is suggested that the Institute update local authorities on its research and information gained through analysis of policy more regularly and perhaps specifically in mid 2017 so that the evidence can contribute to the thinking and strategic direction development for the 2018-28 LTPs.</p>
007	Hamilton & Waikato Tourism	4	<p>The Submitter supports the additional investment of \$20,000 p.a. in Waitomo District Council's (WDC) Long Term Plan 2021-25 for Hamilton &amp; Waikato Tourism (HWT) and sincerely thanks the council for their support.</p> <p>The Submitter requests WDC continue its partnership with HWT in collaboration with the region's other councils.</p>	Comm	<p>Thank you for your submission. Council recognises your efforts to promote the attractions in Waitomo district and we look forward to the results of the initiatives that will be put in place subsequent to the additional funding being obtained</p> <p>Waitomo District Council looks forward to continuing its partnership and collaboration with HWT.</p>

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008	ClubCHAMPS Project Team	5	The Submitter would like to encourage Council to extend the liquor ban areas to include council owned sports fields across the region. This would encourage a safe and welcoming environment in these public spaces and reduce the negative impact of alcohol consumption in public spaces.	S	<p>We thank ClubCHAMPS for your submission and note your concern presented at the submission Hearing in relation to the normalisation of alcohol use during sports games.</p> <p>Councils Public Places Bylaw specifies Liquor Control Areas within the District. This Bylaw was reviewed and consulted on in April/May 2014. No submissions were received during the consultation process and the Bylaw was subsequently adopted in June 2014.</p> <p>In light of your submission Council will review the current schedule of specified public places where liquor control applies, as outlined in the Bylaw, over the next 12 months. This period has been allowed so as to provide sufficient time to consult and work with stakeholders in coming up with a workable solution giving consideration to potential unintended consequences of any proposal.</p> <p><b>Note: Schedule B of Council's Public Places Bylaw contains the specified public places where Liquor Control applies. It also contains a provision that the schedule may be amended from time to time by public notice made by WDC.</b></p>
009	NZ Forest Managers	6	The Submitter supports the provision of a caravan dump station at Benneydale. They have experienced a number of incidents where rubbish has been dumped within the forests they manage of which becomes an eyesore to the users of the forest, a clean-up expense to their clients' and an environmental hazard.	Comm	We note your support for the provision of a caravan dump station at Benneydale.
010	CCS Disability Action	7	The Submitter recommends Council adopt a more proactive approach to improving access by commissioning street accessibility audits for places where persons with disabilities can be expected to be moving around.	S	While operating within available funding limitations, a mobility audit will be carried out. Such a study would direct further actions to be taken by Council.
		8	Beyond the transport sector the Submitter suggests Council begin collecting data on the numbers of persons with visible aids using different facilities to provide an indication of whether they are accessible or not.	Comm	We note your suggestion and will aim to obtain this information from the users of our facilities.

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		9	<p>The Submitter recommends Council research the current availability of accessible homes and accommodation and the likely demand for such accommodation.</p> <p>The Submitter recommends Council research the likely increase in such accommodation under the current District Plan and consider how best to amend the district plan to address any shortfall that may be identified.</p>	Comm	We note your suggestion regarding accessible homes. WDC's primary concern is its own property stock. Unfortunately we are not in a position to undertake research into the availability and demand in the private market at this time.
		10	The Submitter recommends investigating the possibility of attracting one or more of the retirement home developers to the district, especially where spare infrastructure capacity is available, reducing or even eliminating the need for development contributions. This could be associated with a rolling review of the District Plan, as is being proposed by Taupo DC.	S	Waitomo District Council is aware of the aging population demographics and the future need for retirement homes within the district. The investigation and facilitation of elderly housing complex for Te Kuiti is one of the key work streams Council is working on. And although the development of retirement homes is not a core function of WDC, Council would be very supportive of any proposed private developments in the future.
		11	<p>With respect to access to public buildings the Submitter recommends:</p> <ul style="list-style-type: none"> <li>• Ensuring that a percentage of staff involved with compliance issues have Barrier Free Trust certification.</li> <li>• Council buildings be upgraded to modern access standards as exemplars to the wider community.</li> <li>• Consultation channels with the disability sector be developed that allow access concerns to be identified and appropriate action taken. CCS Disability Action's experience is that many access issues are resolved quickly once brought to the attention of building owners.</li> <li>• There is an opportunity to improve access by stricter enforcement of emergency evacuation provisions for places of public assembly.</li> </ul>	Comm	<p>With respect to access to public buildings:</p> <ul style="list-style-type: none"> <li>• Staff have undertaken barrier free training.</li> <li>• WDC has a yearly budget for access improvements to its buildings, facilities and halls, to ensure they are accessible for all.</li> <li>• Waitomo District Council welcomes comment on the accessibility of its properties so that improvements can be incorporated into long term planning.</li> <li>• Council complies with requirements in relation to emergency evacuation provisions when processing applications for alternations to existing buildings or new buildings.</li> </ul>

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		12	<p>With respect to parks and reserves the Submitter recommends/advises:</p> <ul style="list-style-type: none"> <li>• That the use of loose fill surfaces for children's playgrounds be discontinued, in favour of the other surface alternatives and that where loose fill material has been used, a programme be instituted to replace it with a universally accessible safety surface. Loose fill surface is not suitable for use by carers of young children who have mobility issues. Example is playground in Redwood Park.</li> <li>• That signage and other information be made available in various formats so that people with vision impairment, and others, have equal access to the information.</li> <li>• That a review of all public toilet facilities be undertaken to progressively include facilities for the disabled in all settlements.</li> <li>• There are also access issues with the facilities in the Domain, especially for the tourist cabins and camper park. Also access to Brook Park off Eketone Street uses a stile which is a barrier to many users.</li> <li>• As with footpaths beside our roads, it is important to provide kerb cuts for wheelchair users to access walkways and other facilities.</li> </ul>	S	<p>We note your concerns regarding the playground under surfacing. WDC uses a variety of under surfacing, including rubber based material.</p> <p>Options for under surfacing are considered during any upgrades of the playgrounds.</p> <p>Council appreciates that signage within our reserves is important and will revisit signage requirements when a signage policy is developed for all reserves.</p> <p>Waitomo District Council has undertaken a sanitary assessment of its public toilets which identifies structures requiring improvements to disabled access. An improvement / building programme is being implemented with new toilets proposed in Piopio (currently), Benneydale (2015/16) and Marokopa (2016/17). All will have improved disabled facilities.</p> <p>Waitomo District Council is currently looking at alternatives to the camp ground in the Domain. Any alternative will have improved facilities for disabled users.</p> <p>Alternative access points are available for Brook Park, which does not require the use of a stile.</p> <p>Waitomo District Council is currently developing a Parks &amp; Reserves Track Strategy which will identify tracks suitable for the provision of disabled access.</p>
		13	<p>The Submitter recommends Council work with the community, including persons with disabilities, to ascertain whether at least a limited accessible public transport service could be provided between key locations.</p>	Comm	<p>Council has been involved in working with the community to establish the need and subsequently set up a mobility van which is operated by the Te Kuiti 4H Trust to take people to hospitals and doctors.</p>
		14	<p>The Submitter would like to see all mobility parking spaces meeting, as a minimum, the requirements as per section 5 and fig 7 of NZS 4121:2001. An</p>	Comm	<p>Council intends to commission a general parking study, including disability parking issues when funding allows.</p>

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			additional feature now increasingly being adopted is identifying mobility parks with blue surfacing.		
011	Te Kuiti High School	15	The Submitter comments that the proposed North King Country Sport & Recreational Centre fits extremely well with the Council's current and longer term goals for the district.	S	Thank you for your submission. Council is supportive of the concept of a North King Country Sport & Recreational Centre and in working collaboratively to achieve this.
012	Toimata Foundation (previously The Enviroschools Foundation)	16	The Submitter acknowledges Council's support for the Enviroschools network since 2002 and encourages Council to maintain its involvement in the Programme along with other regional partner agencies.	Comm	Thank you for your submission supporting Council's continued involvement with the Enviroschools Programme. Council appreciates and supports the commendable work being done by the Enviroschools Foundation and the Enviroschools programme in general which focuses on the involvement of students and schools in achieving positive outcomes for the ecosystems in the Waikato.
		17	The Submitter has spoken about their recent programme evaluation which reports positive results. Examples of their projects include: zero waste, water projects and tackling energy usage.	Comm	Council would like to congratulate you on the commendable work you are doing in focusing on waste and energy projects. Projects like these will also improve community development and sustainability.
013	John Reeves	18	The Submitter provides an example of how long term affordability could be managed - the Te Kuiti water treatment upgrade. The Submitter believes it would be logical to bring in metering to encourage better utilisation and savings.	Comm	Council already makes some use of water metering. We are installing water meters for all those users who are classified as Extraordinary Users under our Water Services Bylaw 2010. As and when upgrades to our system occur, monitoring meters are also installed as appropriate. This is done to encourage better utilisation, appropriate monitoring to identify issues and in order to manage demand from high users.
014	Sport Waikato	19	The Submitter requests that WDC continue to support the principles and priorities of the Regional Sports Facilities Plan, as the plan is supported and implemented by Sport New Zealand, over the next three years.	Comm	We thank you for the recognition in your presentation that people in areas showing a decreasing population trend need to have similar opportunities as areas experiencing growth.  We look forward to engaging further in discussions between ourselves, Otorohanga District Council and Sports Waikato as to the facilities required at a sub regional level and adopting a cross boundary approach.  Council also looks forward to continuing to work closely with Sport Waikato and key local partners regarding the delivery of sport and recreation services within the District, in accordance with the established deliverables.

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		20	The Submitter requests that Council continue to fund the salary and overheads of the District Coordinator's role in Waitomo for \$73,434 plus CPI per year, for three years	Comm	Council confirms the funding arrangement for the District Coordinator's role for the 2015/16 financial year.
015	Creative Waikato (Sarah Nathan)	21	<p>Creative Waikato supports Waitomo District Council's focus on community and economic development in order to revitalise the district and support the community, particularly initiatives that foster arts and culture.</p> <p>Such opportunities may come in the form of increased tourism and local resident demand i.e., the Te Kuiti Railway Buildings Revitalisation project can promote the culture and history of the community as well as help to bring about economic benefits to the district.</p> <p>Creative Waikato also supports closer relationships with Iwi in working together to develop stronger cultural tourism.</p>	Comm	Waitomo District Council thanks Creative Waikato for their support of the Council's Long Term Plan. Council acknowledges the importance and relevance of arts and culture and looks forward to realising the benefits that the Te Kuiti Railway Buildings Revitalisation project will bring to the community.
		22	The Submitter seeks Councils support for a Regional Arts Strategy for the Waikato region and a fully representative vision for the arts across the Waikato. This support will involve an approach to Council by Creative Waikato in the coming months for input into the Regional Arts Strategy, which will include assisting and participating in the facilitation of consultation in the Waitomo community to develop a fully representative vision for the arts across the Waikato.	S	Council will work with Creative Waikato in the coming months to provide input into the Regional Arts Strategy and will lend support for consultation with the Waitomo community.
016	Waitomo Caves Discovery Centre	23	The Submitter supports an increased focus on visitor experience through both Waitomo and Te Kuiti i-Sites as they are part of an acknowledged national network with a widely recognised brand, particularly with international tourists.	Comm	Council recognises the importance of delivering a special experience to those visiting Waitomo and acknowledges your comments relating to the national i-SITE network.
		24	The Submitter considers it important that, in addition to monies allocated to the RTO, the	Comm	Tourism is one of the main contributors to GDP in the District and therefore Council's intention is to place an emphasis on all strategic and

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			funding and marketing of tourism should be seen as a valued part of the economic planning of the District.		operational economic planning.
		25	The Submitter considers with regard to visitor experience, the basics of providing decent toilet facilities, clearing rubbish from roadsides, recycling services etc needs to be emphasised.	Comm	<p>Waitomo District Council prepared Toilet Sanitary Assessments as part of the preparation of its Long Term Plan. The assessment identifies needs for development and improvement to public toilets. In the current LTP new toilets are proposed in Benneydale (2015/16) and Marokopa (2016/17).</p> <p>Construction of new toilets in Piopio is about to commence.</p> <p>Rubbish on streets and local roads are cleaned periodically by Council's road maintenance contractor. State highways are the responsibility of NZTA to keep clean.</p> <p>Recycling services are available at main public usage points in Waitomo Village, Piopio, Marokopa and Mokau but are poorly used currently due to public indifference.</p>
		26	The Submitter requests Council continue to support the Waitomo Caves Discovery Centre by way of a Service Level Agreement (current SLA expires June 30 2015)	Comm	Council will continue to support the Waitomo Caves Discovery Centre by way of a Service Level Agreement for the period 2015-2018.
		27	The Waitomo Caves Museum Society is engaged in implementing a new strategic plan that will position the Museum as a recognised "National Museum of Caves and Karst". Part of this plan involves assisting in investigating the potential to create a UNESCO Geopark within the district. To succeed the Submitter believes Council would need to be part of this group.	Comm	Council looks forward to receiving a copy of the Strategic Plan from the Society in order to determine the level of support WDC may be able to provide towards the investigations of a UNESCO Geopark within the Waitomo District.
		28	<p>The Submitter requests Council allocate funds to continue to seek solutions or alternatives with regards to providing "100% Pure" Water and Wastewater services to Waitomo Caves Village.</p> <p>Council have worked diligently to demonstrate they can deliver essential infrastructure projects on time and within budget and are busy upgrading services</p>	Comm	<p>Council endorses the efforts to date that have been undertaken by all parties involved to address the issues with the Waitomo Village Water and Wastewater system.</p> <p>There are still a number of key issues to be worked through, mainly land tenure arrangements, and given the high level of uncertainty around the issues and the timing of any change; it is not possible for Council to include any specific financial provision for these assets in its</p>

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			in Piopio, Mokau, Benneydale, Marokopa and Te Waitere. Given the continued acknowledgement of the 'iconic' and pivotal nature of the Waitomo Caves Village in bringing tourists to the district, it is total incongruous and unacceptable to have money allocated to outlying areas and no financial provision for seeking a positive outcome to upgrading the services to this village for the next 10 years.		financial forecasting for the next 10 years. It is too uncertain to be subjected to an LTP and audit process. However, Council is committed to working through the issues with the stakeholders to reach a more definitive position.  Although a specific financial resource has not been allocated to this work stream in the LTP, Council will follow its usual approach on such matters; the utilisation of internal resources allocated for investigatory works.
017	Community Waikato	29	The Submitter contends that they contribute and play a current role in terms of service delivery towards the Council's Outcomes because of the training workshops and one-on-one engagement they undertake with various community organisations in the Waitomo District.  The Submitter considers that the capacity building support they provide is vital. They therefore respectfully signal a desire for a more formal relationship of a partnership/service level agreement nature, in terms of services they bring to the area.	Comm	Council acknowledges the contribution Community Waikato makes to the community.  WDC commend Community Waikato for their community education in application completion and project implementation which compliments opportunities made available through funding options from the WDC Community Development fund pool.  Council looks forward to developing the relationship with Community Waikato further.
		30	The Submitter emphasises the importance of investing in the work carried out by social sector organisations throughout the district, because their contribution to maintaining the social fabric and wellbeing of the wider population is vital and significant.	Comm	Council welcomes the opportunity to work collaboratively with Community Waikato and Social Sector Groups in the future.
		31	The Submitter encourages Council to ensure its strategic development activities consider the cultural, environmental and social influences, values and needs of marae, whanau, hapu and iwi throughout its district. The Submitter supports and encourages Council to exercise its decision making in a manner that is informed by marae communities, particularly when decisions impact on 'key identity features', such as wai, awa, maunga,	Comm	Council is constantly working on its processes around better engagement with the community. Council recognises that Maori are a significant stakeholder group within the district and seeks to work closely with Maori and gain their inputs.  As a process, Council seeks to identify any issues of particular interest to Maori, gather information on Maori perspectives for any significant work programmes and also perseveres to build on relationships already established through work programmes.

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			whenua, waahi tapu and buildings (eg. such buildings as wharenuui/whare tupuna, whare kai, whare iti etc) including access to and infrastructure of these places.		
		32	The Submitter states that proposed rate charges and which projects such funds will be invested in needs to be equitably considered.	Comm	Council tries to strike a balance between many factors like the various needs of our different communities, regional issues and legislative requirements when considering rates requirements and what projects to deliver.
018	Waikato Regional Council	33	The Submitter encourages Waitomo District Council to make provision in its LTP in 2018/19 to support the development of a local indigenous biodiversity strategy. Local indigenous biodiversity strategies are a key implementation method of the Proposed Waikato Regional Policy Statement (RPS).	S	We note your comments during your presentation that the local indigenous biodiversity strategy will enable the application of more localised regulation where it is needed and appreciate your advice that the strategy is not intended to override current policies.  We would welcome further discussion with WRC on local biodiversity issues and working through these. We would also like to understand the assistance that may be available from WRC for territorial authorities throughout the region to develop local indigenous biodiversity strategies.
		34	The Waikato Regional Heritage Forum is another RPS method that has direct applicability to the Waitomo district. The Submitter encourages the allocation of staff resources in the LTP that are supportive of building regional heritage capacity.	Comm	Council is supportive of building regional heritage capacity and will allocate appropriate staff resources as required.
		35	The Submitter supports the planned review of the Waitomo District Plan. The Submitter would welcome ongoing discussions with Waitomo District Council to ensure that the Submitter provides technical and policy support to the plan review process.	Comm	We thank you for your support of our planned review of the Waitomo District Plan and would also welcome ongoing discussions with you in relation to the support that WRC can provide to the review process.
		36	The Submitter would like to acknowledge Waitomo District Council's focus on economic development. The Waikato Regional Economic Development Strategy implementation plan has now been developed and the Submitter thanks WDC for their contribution to this.	Comm	WDC are committed to ensuring that any relevant strategic directions adopted by the Waikato Regional Economic Development Strategy are incorporated in the future economic planning relating to the Waitomo District.

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019	Population Health	37	<p><b>General</b></p> <p>The Submitter congratulates Waitomo District in the impressive progress it has made in leading your community's recovery from the financial, environmental and leadership problems of the past. A strong local government with genuine community partnership is itself, a positive determinant for improved health outcomes. The Submitter remains committed to supporting your Council in this journey wherever we can.</p>	Comm	Thank you for your support of our Council and the work that we have undertaken since the 2009-19 LTP to address the inadequacies of the financial policies in the past.
		38	<p><b>Strategic Direction and Community Outcomes</b></p> <p>The Submitter particularly commends Council's commitment to achieving its vision for the district under its four community outcome banners and ensuring outcomes are integrated with Council's key areas of focus.</p> <p>The Submitter strongly commends Council for the introduction of the 'Effective Leadership' banner.</p>	Comm	Thank you for your support of our new Effective Leadership Community Outcomes. The introduction of these Outcomes was to reflect Council's goal and aspiration to play a leadership role within the region and nationally and promote the interests of our District as well as other small rural communities similar to ours.
		39	<p><b>Demographic Change</b></p> <p>The Submitter congratulates Council in its acceptance of demographic change, and planning accordingly. This is well covered in both recognition of the need for suitable and reliable employment for the relatively large proportion of young people, and for supporting the older people of the community. Both population groups are a tremendous asset for any community, but young people may well be forced to leave for employment. The Submitter supports Waitomo's participation in the Mayor's Task Force for jobs and any other initiatives that Council can identify that will help retain the young people of the community.</p>	Comm	Council along with Otorohanga District Council are currently working collaboratively to review what resources and programmes are in place in the two communities to support youth into employment. When this review is complete the aim is to have initiatives in place across both districts to support youth.
		40	<p><b>Sewage treatment and disposal, Water Supplies, Stormwater</b></p>	Comm	With regard to the Waitomo Village Water and Wastewater infrastructure, there are still a number of key issues to be worked

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			<p>The Submitter has concerns that Waitomo, probably the biggest tourism asset in the area, has less than adequate water and wastewater treatment. A disease outbreak related to this village's services would have a very negative economic impact on the entire district. The Submitter considers it important that some progress should be made within the scope of this ten year plan and offers their support with advocacy and facilitation of progress towards a solution.</p> <p>The Submitter supports Council's intention to maintain its infrastructure to a reasonable level throughout the District.</p>		<p>through, mainly land tenure arrangements, and given the high level of uncertainty around the issues and the possible timing of any change, it is not possible for Council to include any specific financial provision for these assets in its financial forecasting for the next 10 years.</p> <p>However, Council is committed to working through the issues with the stakeholders to reach a more definitive position.</p> <p>Thank you for your support of Council's intention to maintain its infrastructure to a reasonable level throughout the District.</p>
		41	<p><b>Community Water Fluoridation</b></p> <p>The Submitter encourages Council to consider the introduction of Community Water Fluoridation to the larger supplied Council supplies such as Te Kuiti.</p>	Comm	<p>Fluoridation is a matter for discussion with the wider community and such a discussion is not planned for at the present time. Council intends to take its cue from any national direction on this matter, when it comes through.</p> <p>In terms of operations, introducing fluoridation will place a higher operational burden on Council because of the requirements to safely handle, store, and dose the chemical agent, which would add to the cost of the operation and maintenance for water treatment.</p>
		42	<p><b>Community Connectivity and Development</b></p> <p>The Submitter commends Council for its continued support of the Waitomo Youth Council and other key areas of youth engagement such as noted in the consultation document.</p>	Comm	<p>We appreciate your comments in regards to Councils continued support of the Waitomo District Youth Council and youth engagement in general.</p> <p>It is WDC's intention to continue to be involved in youth development to enable our youth to be actively involved in productive projects including training and employment opportunities from within the Waitomo District.</p>
		43	<p><b>Roads and Footpaths Activity</b></p> <p>The Submitter advocates for continued maintenance and development of footpaths.</p>	Comm	<p>Your point with regard to maintenance of footpaths is noted and Council intends to continue with its planned programme around these.</p>
		44	<p><b>Revenue and Financing Policy (RFP) Changes</b></p> <p>The Submitter supports Council in containing</p>	Comm	<p>Thank you for your support of Council's commitment to sustainable rates increases.</p>

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			current and projected rates increases and asks Council to consider those living in the lowest deciles who may not be well placed to accommodate increased costs.		One of the guiding principles underpinning Council's Financial Strategy is to maintain affordable rates increases to deliver the services and facilities required by the community.
		45	<p><b>Smoke free Councils and Outdoor Areas</b></p> <p>The Submitter acknowledges and commends Council's role in the successful partnership with our Health Promoters and community which resulted in children's art work being made into smoke free plaques and erected in playgrounds as smoke free signs.</p> <p>The Submitter encourages Council to develop a formal Smoke free Council Policy.</p>	Comm	<p>We appreciate your comments around Council's involvement in promoting smoke free areas within the district.</p> <p>Council intends to be engaged in other opportunities as they arise and considers that supporting these would be more effective for our communities instead of developing a formal Smoke Free Council Policy, at this time.</p>
020	Maraeroa C Incorporation	46	<p>The Submitter would like to see a greater commitment by Council to the Treaty of Waitangi and to address the current inequity around Maori representation at the Council table. This can be addressed immediately by way of the establishment of a Maori Advisory Committee to council made up of members of Ngati Rereahu and Ngati Maniapoto, or a referendum held to canvas opinion on the introduction of two or more Maori Seats on Council.</p> <p>Provided the following further explanation of the role of the Maori Advisory Board during their verbal submission at the hearing:</p> <ul style="list-style-type: none"> <li>• Assist Council to gain an insight into Maori aspirations for the district</li> <li>• Assist with the development of the Long Term Plan.</li> <li>• Integrate Maori protocols into Council practices and deliver greater benefits for the region.</li> <li>• Provide a more structured way of receiving feedback.</li> </ul>	Comm	<p>Thank you for providing a further explanation of the role of the Maori Advisory Board during your verbal submission at the hearing and clarifying that the numbers and make up of the Board would still need to be discussed amongst Maori.</p> <p>Council is constantly working on its processes around community engagement and part of this is facilitating Maori Participation in Council's decision making. Council recognises that Maori are a significant group within the district and recognises the value in enhancing its relationship with Iwi.</p> <p>We will continue to proactively liaise with the Regional Management Committees'. Council has also planned to include Iwi liaison in its future work programmes with a view to reviewing how the liaison process can be further developed and enhanced.</p> <p>In respect of your recommendation for the introduction of two or more Maori Seats, Local government representation arrangements fall outside the ambit of the LTP process.</p> <p>Under the Local Electoral Act 2001, all Councils are required to review their representation arrangements at least once every six years including whether to introduce Maori Wards or constituencies for consideration and adoption through public consultation. Council reviewed its representation arrangements, including Maori Wards, in</p>

Table 3 All Other Submission Topics					
Sub No	Submitter	Topic No	Topics	Action Pathway	Comment
			<ul style="list-style-type: none"> <li>Numbers and make up of the Board would still need to be discussed amongst Maori.</li> </ul>		<p>October 2011. In October 2014 Council revisited this issue and resolved that instead of undertaking a review at that time, it would be beneficial to continue to progress its current initiatives for involving Maori in decision making and review the provision of Maori Wards in 2017 in time for the 2019 elections. The process timelines (as set out in legislation) for implementing changes for the 2016 elections has passed.</p> <p>We would like to note however that, 5% (approximately 289 electors) of electors enrolled as eligible to vote at the previous local election of Waitomo District can demand a poll to be held on the question of whether the District should have Maori Wards. This can be done anytime and Council must then conduct a poll on the issue and progress it further.</p>
21	Moepatu Borell	47	We being a vibrant and prosperous bicultural community, and a community where Maori make up about 50%+ of the population, there needs to be more forums for the "Maori view" to be tied into policy decisions and regulations.	Comm	<p>Council recognises that Maori are a significant group within the district and recognises the value in enhancing its relationship with Iwi. We will continue to proactively liaise with the Regional Management Committees.</p> <p>Council has also planned to include Iwi liaison in its future work programmes with a view to reviewing how the liaison process can be further developed and enhanced.</p> <p>We would like to invite our Iwi to proactively engage with Council as well. Elected Members are keen to attend regular meetings where they can and would welcome an invitation to your upcoming meetings.</p> <p>As a process, Council seeks to identify any issues of particular interest to Maori, gather information on Maori perspectives for any significant work programmes and also perseveres to build on relationships already established through work programmes.</p>
		48	<p>In response to the Council's Community Outcomes, the Submitter considers that all groups and ages not just the young, should have access to opportunities, and feel valued.</p> <p>The Submitter advises that we should continue in the great way that already exists and ensure participation of the elderly into the community as is done with every other age.</p>	Comm	<p>Your point about consideration of all groups and ages in the Community Outcomes and not just the young is noted.</p> <p>Council efforts are directed towards the well being of all residents within the District although Council draws up priorities in order to be effective and focus the effort and inputs. Revaluation of priorities is also carried out from time to time.</p> <p>The investigation of an elderly housing complex in Te Kuiti is one of the work streams Council is working on at present.</p>

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022	Federated Farmers of New Zealand		The Submitter requests Council to consider the following recommendations:		
		49	<p><b>General Comment</b></p> <ul style="list-style-type: none"> <li>That Council's increased focus on community services and economic development is funded using fair and equitable funding streams. This should mean increased use of the UAGC mechanism until it reaches the 30% legislated for cap and targeted rating where those who benefit most pay most.</li> </ul>	Comm	<p>Our economic growth objectives are funded via the District Development Rate, which is a targeted rate on businesses and General Rate.</p> <p>Council considers that the overall District benefits to an extent from development activities and this benefit is not accrued equally across all properties and therefore the use of General rate is considered more appropriate. Council also considers that businesses have a more direct benefit from these activities and the targeted portion of the District Development Rate reflects this. Council considers this to be the fairest funding mechanism.</p>
		50	<p><b>Transparency</b></p> <ul style="list-style-type: none"> <li>That council continues to consult and engage with a high level of transparency and include example rates for a wide range of properties which enables readers to compare rates and understand how rates are allocated.</li> <li>When seeking feedback a better link between the options and outcomes should be made in the future.</li> </ul> <p>Submitter provided further details at the hearing on their concern about lack of clarity in relation to the link between the purpose of the change to the funding split between UAGC and General Rates and the options included in the Consultation Document. Their primary concern was that the focus of the options was on affordability and yet the purpose of the changes was to enhance equity and fairness and that these principles were different and should not be mixed up.</p>	Comm	<p>Open and transparent are the fundamental tenets of Council's communication and we intend to continue adhering to these in the future.</p> <p>We note your concern expressed at the hearing in relation to the link between the purpose of the change to the funding split between UAGC and General Rates and the options included in the Consultation Document. The primary concern detailed by you was that the focus of the options was on affordability and yet the purpose of the changes was stated to be for equity and fairness and that this was misleading for the community.</p> <p>Council would like to emphasise that it does not consider its communication regarding the funding split proposal was misleading in any way.</p> <p>As stated in the Consultation Document, the key driver for reviewing the funding splits of activities was to ensure transparency of funding allocations. Previously, Council had a policy to 'cap' the UAGC at \$650 and in order to adhere to UAGC cap, Council made an overall adjustment between General Rates and UAGC. Council exercised its discretion under the LGA, based on affordability considerations, to make the adjustment; nonetheless, since the adjustment was done at an overall level, it was a less transparent method of allocating funding at</p>

Table 3 All Other Submission Topics					
Sub No	Submitter	Topic No	Topics	Action Pathway	Comment
					<p>an activity level.</p> <p>In deciding on the most appropriate benefit and funding splits for the activities, during its review, Council took into account both the principles of equity and affordability. Council considers that the funding split it agreed to (i.e. an equal split between General Rate and UAGC if there was a District wide benefit) was the most equitable method for funding this allocation. This consideration was expressed in the Consultation Document.</p>
		51	<p><b>Key Projects planned for next 10 years</b></p> <ul style="list-style-type: none"> <li>That council undertakes to have ongoing consultation as and when necessary to ensure project objectives and work streams are informed by affected communities.</li> </ul>	Comm	Council will continue to consult and engage with its community as appropriate.
		52	<p><b>Roads and Footpaths</b></p> <ul style="list-style-type: none"> <li>Federated Farmers support delay in undertaking service commitments until full knowledge of subsidised funding is known.</li> </ul>	Comm	Council acknowledges Federated Farmers support.
		53	<p><b>Solid Waste Management</b></p> <ul style="list-style-type: none"> <li>That funding policies for this activity are revisited. A targeted rate to all properties may be required but a differential should be applied to reflect 'those who benefit' pay principles.</li> </ul>	Comm	<p>Council considers that it already makes good use of targeted rates and its fees and charges in its funding policies for the Solid Waste functions and ensures that beneficiaries of the service pay for it appropriately.</p> <p>There are elements of this service like Landfill and Transfer Stations Management and Waste Minimisation that provide benefit to the entire District and are funded accordingly through District wide rates.</p>
		54	<p><b>Uniform Annual General Charge</b></p> <ul style="list-style-type: none"> <li>That the Annual and Long Term Plans continue to include detailed information on the UAGC.</li> <li>That Council adopts the option to remove the self imposed limit and work towards increasing the amount to achieve maximum use of the UAGC funding mechanism. If council determines that the proposed increase this year is too big</li> </ul>	Comm	<p>Annual and Long Term Plans will continue to include detailed information on the UAGC.</p> <p>In this review of the RFP Council has agreed to remove the cap on the amount of UAGC; however the increase in the value of the UAGC in any year will be limited to the percentage increase in the Local Government Cost Indicator (LGCI) for that year and within the 30% legislative cap.</p>

Table 3 All Other Submission Topics					
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			then incremental increases to achieve the 30% cap could be made over the next three years.		
		55	<b>Targeted Rates</b> <ul style="list-style-type: none"> <li>That the Council continues to make good use of targeted rates to fund services which have a high level of direct and identifiable benefit.</li> </ul>	Comm	Council intends to continue with equitable funding splits which include prudent use of targeted rates.
		56	<b>Increased use of the General Rate</b> <ul style="list-style-type: none"> <li>That the Council continues to keep rate increases as low as possible, by continuing its intention to maintain existing service levels, strive towards operational efficiency and adhere to sound asset management practices.</li> <li>That Council reassesses the desire to increase reliance on the general rate.</li> </ul>	Comm	<p>Council is very aware of the need to keep rates increases as low as possible. One of the guiding principles underpinning Council's Financial Strategy is to maintain affordable rates increases to deliver the services and facilities required by the community. We have balanced our service delivery requirements and future plans for development with what is affordable and the rates increases proposed at an annual average of 3.18% over the next 10 years.</p> <p>Council does not have a desire to increase reliance on General Rate. The use of funding mechanisms in its funding policies are based on the principles of equity and fairness balanced with affordability where appropriate.</p>
		57	<b>District Development Rate</b> <ul style="list-style-type: none"> <li>That council reviews the funding allocation split to remove the burden from rural ratepayers and target rates to businesses directly benefiting from the service.</li> <li>An allocation of UAGC should also be applied to reduce general rate contribution and recognise that there is some equal benefit across the district as a result of these activities.</li> </ul>	Comm	<p>We note your request for Council to review the funding allocations for the District Development activities.</p> <p>The activities are funded through a mix of targeted rates and General rate and are based on where Council considers the benefits to accrue i.e. the businesses that have a more direct benefit and the District in general. Council considers this to be the most equitable funding mechanism for these activities.</p>
023	Maniapoto Maori Trust Board	58	<p>The Submitter has recommended a number of improvements to the LTP document including:</p> <ul style="list-style-type: none"> <li>The recognition of the Tiriti o Waitangi as a founding document of New Zealand;</li> <li>The recognition of Maniapoto Iwi as Tangata Whēnua;</li> </ul>	Comm	<p>Schedule 10 of the LGA is very specific in its requirements of the contents of the LTP which Council adheres to.</p> <p>Council recognises that Maori are a significant group within the district and recognises the value in enhancing its relationship with Iwi. Council will continue to proactively liaise with the Regional Management Committees. Council has also planned to include Iwi liaison in its future work programmes with a view to reviewing how the liaison process can</p>

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			<ul style="list-style-type: none"> <li>A narrative regarding the collaborative nature of the relationship between WDC and the Maniapoto Iwi.</li> <li>A commitment to complete the memorandum of understanding with local iwi i.e. Maniapoto;</li> <li>Increased clarity and specificity regarding encouraging Maori Contribution to decision-making. For example: Council Member and or staff training and development, Tangata Whenua involved in early stages of planning process (not just consultation phase) and seeking to identify and understand the strategic aspirations of Maniapoto Iwi.</li> <li>Updates to references to Nga Wai o Maniapoto (Waipa River) Act</li> </ul>		<p>be further developed and enhanced.</p> <p>We would like to invite our Iwi to proactively engage with Council as well. Elected Members are keen to attend regular RMC meetings where they can and would welcome an invitation to your upcoming meetings.</p> <p>Council is constantly working on its processes around community engagement and part of this is facilitating Maori participation in Council's decision making. The 2015-25 LTP sets out Council's intentions to foster the development of Māori capacity to contribute to the decision-making processes of the local authority over the period covered by that plan.</p>
		46	The Submitter has requested that the LTP include a clear statement of the Council's intention to seriously consider the establishment of a Maori Ward(s) as provided for in the LGA 2002.	Comm	<p>In respect of your recommendation that the LTP include Council's intention to seriously consider the establishment of a Maori Ward(s), Local government elections fall outside the ambit of the LTP process.</p> <p>Under the Local Electoral Act 2001, all Councils are required to review their representation arrangements at least once every six years including whether to introduce Maori Wards or constituencies for consideration and adoption through public consultation. Council reviewed its representation arrangements, including Maori Wards, in October 2011. In October 2014 Council revisited this issue and resolved that instead of undertaking a review at that time, it would be beneficial to continue to progress its current initiatives for involving Maori in decision making and review the provision of Maori Wards in 2017 in time for the 2019 elections. The process timelines (as set out in legislation) for implementing changes for the 2016 elections has passed.</p> <p>We would like to note however that, 5% (approximately 289 electors) of electors enrolled as eligible to vote at the previous local election of Waitomo District can demand a poll to be held on the question of whether the District should have Maori Wards. This can be done anytime and Council must then conduct a poll on the issue and progress it further.</p>

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024	Hauauru Ki Uta Regional Management Committee	46	District Plan Review (\$400k):The Submitter expects a review on the potential for a Maori Ward; review of Maniapoto seat on Council and review of Maniapoto seat on Council committees	Comm	<p>Thank you for the clarification during the hearings that the points that you have raised in your written submission are things you are flagging to Council as important to your community and that you appreciate that there are still further discussions to be had on many of these issues in terms of cost benefit.</p> <p>In relation to your suggestion for the potential of a Maori Ward and introduction of Maori Seats, Local government elections fall outside the ambit of the LTP process.</p> <p>Under the Local Electoral Act 2001, all Councils are required to review their representation arrangements at least once every six years including whether to introduce Maori Wards or constituencies for consideration and adoption through public consultation. Council reviewed its representation arrangements, including Maori Wards, in October 2011. In October 2014 Council revisited this issue and resolved that instead of undertaking a review at that time, it would be beneficial to continue to progress its current initiatives for involving Maori in decision making and review the provision of Maori Wards in 2017 in time for the 2019 elections. The process timelines (as set out in legislation) for implementing changes for the 2016 elections has passed.</p> <p>We would like to note however that, 5% (approximately 289 electors) of electors enrolled as eligible to vote at the previous local election of Waitomo District can demand a poll to be held on the question of whether the District should have Maori Wards. This can be done anytime and Council must then conduct a poll on the issue and progress it further.</p>
		59	The Submitter expects Council to have active Engagement and consultation with RMC's for all areas of RMA and LGA for activities that happen in their area	Comm	<p>Council recognises that Maori are a significant group within the district and recognises the value in enhancing its relationship with Iwi. Council will continue to proactively liaise with the Regional Management Committees. Council has also planned to include Iwi liaison in its future work programmes with a view to reviewing how the liaison process can be further developed and enhanced. We would like to invite our Iwi to proactively engage with Council as well. Elected Members are keen to attend regular RMC meetings where they can and would welcome an invitation to your upcoming meetings.</p> <p>As a process, Council seeks to identify any issues of particular interest</p>

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					to Maori, gather information on Maori perspectives for any significant work programmes and also perseveres to build on relationships already established through work programmes.
		60	The Submitter expects the use of Maori place names on signage.	Comm	Maori place names are currently used on signage where appropriate.
		61	Maori visibility in the community: Completion of plaza re-development, Te Kuiti Railway Project (\$175k): The Submitter expects it to identify projects to promote Maniapoto visibility in the community, Maori Art Work and Te Reo Language.	Comm	The Plaza concepts will be developed in the future and we will bear your comments in mind at that time.
		62	General Road Improvements (\$5.7m): The Submitter expects Marae to have road signage (50km) for all marae on main roads.  The Submitter also expects Marae when holding events, tangihanga, celebration to have access to 'Event Signage'	Comm	We note your advice at the hearing that you would like to see the replacement of arrows on roads to keep tourists on the right side of the road. Council is in the process of arranging for arrows on Council controlled roads where the need becomes apparent.  Council does not have any control over speed restrictions or arrows on State Highways, which are controlled by NZTA. If Council has details of specific Marae or places where arrows on local roads would be beneficial, these can be investigated.  Council does not provide event signage. Any signage must be put up in accordance with a traffic management plan, prepared in conjunction with a roading contractor, who will have access to signage.
		63	General Road Improvements (\$5.7m): The Submitter expects a contribution to Marae to maintain road access to marae and urupa and R&M contribution (some maybe Civil Defence centres).	Comm	We note your request for a contribution to maintain road access to Marae and Urupa, however, Council's roading funding is subsidised by NZTA and is only available for public roads  Waitomo District Council has a programme of Civil Defence Community Response Plans which will be developed over the next six years in line with the Regional Response Planning programme. Each Community Response Plan will identify Civil Defence Centres and discussions will be held with the owners of these facilities at the time to ensure they are fit for purpose.
		64	Development of Te Kuiti Cemetery (\$158k): The Submitter expects a contribution for Maniapoto urupa	Comm	The development of Te Kuiti Cemetery will cater for the expansion of the cemetery to allow for the future burial requirements of the community. We note your concern relating to the provision of other private burial areas within the district. At this time, Council only

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					contributes to public burial grounds.
		65	Development of the cell in Landfill (\$1.7m) The Submitter expects engagement and consultation with mana whenua of that area	Comm	As a process, Council seeks to identify any issues of particular interest to Maori and gather information on Maori perspectives for any significant work programmes
		28	Good Asset Stewardship and Management: The Submitter expects the Upgrade of Waitomo Wastewater Treatment and Upgrade of Waitomo Water Treatment.	Comm	<p>Significant effort has been undertaken by all parties involved to address the issues with the Waitomo Village Water and Wastewater system.</p> <p>There are still a number of key issues to be worked through, mainly land tenure arrangements, and given the high level of uncertainty around the issues and the possible timing of any change; it is not possible for Council to include any specific financial provision for these assets in its financial forecasting for the next 10 years.</p> <p>However, Council is committed to working through the issues with the stakeholders to reach a more definitive position.</p>
		66	Development of Brook Park (\$166k): The Submitter expects the implementation of the Mangaokewa Landscape Plan.	O	Waitomo District Council recognises that Mangaokewa Reserve is a key recreational facility in our district. The Management Plan for this reserve was developed in the mid 1990's and will be reviewed as part of the Passive Reserves Management Plan to be completed June 2017.
		67	The Submitter expects no charge for Marae for Wastewater Rates for Non-residential properties in Te Kuiti. Cat 1; Cat 2 (Marae); Cat3	C	Marae receive a rates remission of 100% of the assessed Rates including service charges except for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services and solid waste management services. This is to pay specifically for the services used.
		68	Public Toilet replacement in Benneydale and Marokopa (\$334k): The Submitter expects engagement and consultation with mana whenua to be involved in design and location	Comm	We note your interest in these projects. The designs and location will be discussed with local community representatives, noting these facilities will replace the existing facilities at the same locations.
		69	Continuation of renewal of Cultural and Arts Centre (\$284k): The Submitter expects contribution to Marae	Comm	<p>The continuation of the renewal of the Cultural and Arts Centre is an ongoing project, which began with the flooding problems that occurred in 2007. Minimal maintenance had been undertaken internally since the buildings construction in the early 1980's and the internal fit-out was showing signs of deterioration.</p> <p>This facility provides a high class events centre available for hire by the community and tourism groups alike. The refurbishment work required</p>

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Sub No	Submitter	Topic No	Topics	Action Pathway	Comment
					is an ongoing project to enable the facility to maintain its place in the community as a prestigious well used cultural and arts centre.
		70	The Submitter expects Marae to have access to clean drinking water	Comm	Where Marae are serviced by Council's network, water supplied will comply with Council's standards.
025	Surf Life Saving	71	Submitter requests Council to advocate on their behalf to the Waikato Regional Council for funding to be provided to Surf Life Saving over 3 years.	Comm	We note your submission to Waikato Regional Council and are supportive of the efforts of your organisation in providing safety at beaches. Council will express its support for your submission to the Regional Council.
026	Tere Waitomo Community Trust	28	The Submitter is concerned that while a clear solution is not apparent to the problems with Waitomo Village's wastewater and water supply that the complete lack of funding in the LTP will not give Council the resources it needs to further investigate or purchase the system. Without this ability the Submitter fears the ability to find a solution is compromised.	Comm	<p>Council endorses the efforts to date that have been undertaken by all parties involved to address the issues with the Waitomo Village Water and Wastewater system.</p> <p>There are still a number of key issues to be worked through, mainly land tenure arrangements, and given the high level of uncertainty around the issues and the timing of any change; it is not possible for Council to include any specific financial provision for these assets in its financial forecasting for the next 10 years. It is too uncertain to be subjected to an LTP and audit process. However, Council is committed to working through the issues with the stakeholders to reach a more definitive position.</p> <p>Although a specific financial resource has not been allocated to this work stream in the LTP, Council will follow its usual approach on such matters; the utilisation of internal resources allocated for investigatory works.</p>
027	Tourism Holdings Limited	28	<p>The Submitter would like Council to make funding provision in the LTP to work towards leading or supporting a new ownership and management structure for the Waitomo Village water and wastewater infrastructure. The costs of management and necessary upgrades to the facilities within the LTP period should also be taken account of within the LTP.</p> <p>Submitter provided supplementary information during the verbal submission to Council at the hearing on 11 May 2015 stating THL's position in</p>	Comm	<p>We note your request for Council's involvement in your discussions with Whanau so that those around the table can understand what Council's needs are in terms of tenure.</p> <p>Council endorses the efforts to date that have been undertaken by all parties involved to address the issues with the Waitomo Village Water and Wastewater system.</p> <p>Council is committed to working through the issues with the stakeholders to reach a more definitive position.</p> <p>There are still a number of key issues to be worked through, mainly land tenure arrangements, and given the high level of uncertainty</p>

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			Waitomo. Their lease is expiring in 2027 and there is potential for THL to walk away from this issue at that point in time.		around the issues and the timing of any change; it is not possible for Council to include any specific financial provision for these assets in its financial forecasting for the next 10 years. It is too uncertain to be subjected to an LTP and audit process. Although a specific financial resource has not been allocated to this work stream in the LTP, Council will follow its usual approach on such matters; the utilisation of internal resources allocated for investigatory works.
028	Waikato Motel Association	4	The Submitter requests that Council endorse the Hamilton Waikato Tourism's application to the Council to increase funding.	Comm	Council has agreed to support Hamilton Waikato Tourism's application for increased funding.
029	King Country Hoiho Maniapoto-Waikato	72	The Submitter wishes to: <ul style="list-style-type: none"> <li>Seek a lease of unused public lands in and around Te Kuiti for the purposes of delivering equine education programmes, and</li> <li>Initiate discussions with Council to open up public areas as part of the NZ Bridleways network within the Waitomo District.</li> </ul>	0	Thank you for coming to present your submission at the LTP hearing.  Waitomo District Council will continue to work with King Country Hoiho Maniapoto-Waikato to identify a suitable land area for the equine education programme. We note that you have identified the Old Stock Pound as a parcel of land that may be suitable for use for your equine education programmes.  We also note your desire to have a facility within walking distance of town for the children.  We note from your verbal submission that the option for a bridleway network is in the very early stages and what you are looking at during this phase is a feasibility study and the creation of an advisory committee with representation from Council, which Council is open to being part of.
30	Ian R Wards	73	The Submitter requests Council to form 'Te Kumi Side Road' into the town's roading network.  The Submitter advises that living on Robin Azariah Place has highlighted that many out of town people driving into this area are expecting to get back into the main road north, resulting in them driving out and away at great speed. The number of homes in this street deserve better than an unformed sealed road.	0	Te Kumi Side Road services seven residential properties. It has a standard road name sign, and a paved side walk. Te Kumi Side Road as such is not an official road, but privately owned by the adjacent residences. Waitomo District Council does not have any jurisdiction over this land. The feasibility of WDC making this a public road will be further investigated.  Robin Azariah Place is a Cul de Sac only accessible off Eketone Street. Council is investigating the possibility of putting up a No Exit sign at Entrance to Eketone Street to address issues experienced by local residents.

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031	Hancock Forest Management (NZ) Ltd	74	<p>The Submitter supports Council's intention in the Long Term Plan to gather data on upcoming plantation forestry harvesting in the District and to use this information to feed into the proposed 2018-2028 Long Term Plan.</p> <p>The Submitter plans to commence harvesting in Te Rongoroa forest, which may be accessed via a Waitomo District road, depending on the agreement reached with Ruapehu District on access routes to be used. The Submitter would be very happy to provide detailed information regarding their harvest intentions to the Council on request.</p>	O	<p>Thank you for your support of Council's intention to gather data on upcoming plantation forestry harvesting in the District.</p> <p>We appreciate your offer and look forward to receiving detailed information regarding your harvesting intentions, which can be used for assessing the impact on the road network.</p>

<b>Table 4</b>					
<b>Late Submissions</b>					
<b>Sub No</b>	<b>Submitter</b>	<b>Topic No</b>	<b>Topics</b>	<b>Action Pathway</b>	<b>Comment</b>
032	Carol Fagan	75	<p>The Submitter considers Council should actively promote Te Kuiti as a desirable community. Auckland people tell her they could move here and buy a house and still have money in the bank, but their biggest concern would be work.</p> <p>The Submitter questions whether ultrafast Broadband could provide a remote worker base for Te Kuiti, as has occurred in Wanganui. The Submitter recommends that in order to contain cost of rates and infrastructure we must do all we can to increase the base across which the expenses are shared.</p>	C	<p>Thank you for your submission on making Te Kuiti a more desirable community.</p> <p>Council's vision is to create a better future with vibrant communities and thriving businesses. Faced with a shrinking population, Council considers that it is vital that we facilitate economic growth and community connectivity and development.</p> <p>Council's aim is to support the growth of our local economy by effectively promoting our district's attractions as well as supporting local businesses initiatives and projects.</p> <p>Last month, the Government announced its decision to extend funding for the Ultra-Fast Broadband (UFB) and Rural Broadband Initiative (RBI) programmes, and to establish a new Mobile Black Spot Fund (MBSF). This is a significant opportunity for mobile and broadband coverage to be expanded to many more communities across New Zealand.</p> <p>Council aims to play an active role and apply to central government to</p>

<b>Table 4 Late Submissions</b>					
<b>Sub No</b>	<b>Submitter</b>	<b>Topic No</b>	<b>Topics</b>	<b>Action Pathway</b>	<b>Comment</b>
					prioritise the installation of Ultra Fast Broadband/ RBI in the district. This will involve the preparation of a Registration of Interest (ROI), supported by various Council staff from the areas of regulatory/ planning, asset management, policy, communications and finance.
033	Waitomo District Youth Council	76	The Submitter supports Council's aim to promote the economic growth of the districts attractions and support local businesses. The Youth Council supports the in-house delivery of Council's economic growth objectives.	C	Thank you for your support of Council's aim to promote economic growth in the district via an in-house delivery model.
		77	The Submitter supports the continued strengthening of community connectivity with youth with the Youth Council, Mayors Task Force for Jobs, Tuia Programme, Social Sector Trails and mentoring programmes.	Comm	Thank you for your support of Council's current initiatives to connect with the youth in our community. Strengthening our community connectivity and supporting community development is a key area of focus for Council for the 2015-25 period.
		78	The Submitter thanks Council and Councillors for their ongoing support of youth initiatives over the last couple of years and looks forward to working on ideas together for mutual benefit for the growth of the district.	Comm	Council recognises your effort and commitment to making this community a better place for our youth and we look forward to working with you on future projects for the benefit of the district.

The Corporate Planner, Group Manager – Customer Services, Group Manager – Community Services and Group Manager – Asset left the meeting at 11.45am.

<b>6. Financial Report for the period ended 30 April 2015</b>	<b>File 100/018B</b>
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Council considered a business paper presenting the Financial Report for the ten months ended 30 April 2015.

The Group Manager – Corporate Services and Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

The business paper on the Financial Report for the ten months ended 30 April 2015 be received.

Brodie/Whitaker Carried

<b>7. 2015 Great New Zealand Muster</b>	<b>File 400/101/15</b>
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Council considered a business paper informing Council of the outcomes of the 2015 Great NZ Muster.

**Resolution**

The business paper on the 2015 Great NZ Muster is received.

Davey/Whitaker Carried

<b>8. Progress Report: Broadband and Mobile Black Spot Initiative</b>	<b>File 400/503A</b>
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Council considered a progress report on the Government's recently announced extension to the Ultra-Fast Broadband (UFB) and Rural Broadband Initiative (RBI) programmes and new Mobile Black Spot Fund.

The Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Broadband and Mobile Black Spot Initiative be received.

Goddard/Brodie Carried

<b>9. Progress Report: Resource Consent Applications</b>	<b>File 097/001E</b>
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Council considered a progress report on outstanding resource consent applications and those applications currently being processed.

The Chief Executive expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The Progress Report: Resource Consent Applications be received.

Davey/Smith Carried

<b>10.</b>	<b>Progress Report: Monthly Operation and Maintenance Report for Water, Sewerage and Stormwater</b>	<b>File 037/005B</b>
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Council considered a business paper providing a brief on progress for Operational and Maintenance performance by Council's contracted Services Provider for Water Services (Veolia Water).

The Chief Executive expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The Progress Report: Monthly Operation and Maintenance Report for Water, Sewerage and Stormwater be received.

Brodie/Davey Carried

<b>11.</b>	<b>Progress Report: Monitoring Against 2012-2022 Long Term Plan – Water</b>	<b>File 037/020/12A</b>
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Council considered a business paper providing a brief on progress with implementation of the Work Plan for the Water Supply activity as contained in year three (2014/2015) of the 2012-2022 Long Term Plan (LTP).

The Chief Executive expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The Progress Report: Monitoring Against 2012-2022 Long Term Plan – Water be received.

Whitaker/Goddard Carried

<b>12.</b>	<b>Progress Report: Monitoring Against 2012-2022 Long Term Plan – Stormwater</b>	<b>File 037/020/12A</b>
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Council considered a business paper providing a brief on progress with implementation of the Work Plan for the Stormwater activity as contained in year three (2014/2015) of the 2012-2022 Long Term Plan (LTP).

The Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Monitoring Against 2012-2022 Long Term Plan – Stormwater be received.

Goddard/Smith Carried

<b>13. Progress Report: Monitoring Against 2012-2022 Long Term Plan – Wastewater</b>	<b>File 037/020/12A</b>
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Council considered a business paper providing a brief on progress with implementation of the Work Plan for the Wastewater activity as contained in year three (2014/2015) of the 2012-2022 Long Term Plan (LTP).

The Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Monitoring Against 2012-2022 Long Term Plan – Wastewater be received.

Davey/Goddard Carried

The meeting adjourned for lunch at 12.03pm.  
 The Group Manager – Community Services re-entered the meeting at 12.20pm.  
 Councillor Davey left the meeting at 12.35pm.  
 The meeting reconvened at 12.35pm.

<b>14. Progress Report: Monitoring Against 2012-2022 Long Term Plan – Land Transport</b>	<b>File 037/020/12A</b>
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Council considered a progress report on:

- Implementation of the Work Plan for the Land Transport activity as contained in Year Three (2014/2015) of the 2012-2022 Long Term Plan
- Monitoring of the ongoing implementation of the 2012-22 Long Term Plan as part of the Road Map Work Programme.
- One Network Road Classification (ONRC)
- Road Asset Technical Accord (RATA)
- Road Maintenance - Procurement

The Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Monitoring Against 2012-2022 Long Term Plan – Land Transport be received.

Brodie/Te Kanawa Carried

<b>15. Brook Part Incorporated Society – Minutes</b>	<b>File 401/0581153000</b>
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Council considered a business paper providing information relating to the Brook Park Incorporated Society meeting convened on 4 May 2015.

Deputy Mayor Whitaker expanded verbally on the Minutes and answered Members' questions.

### **Resolution**

The business paper on Brook Park Incorporated Society – Minutes be received.

Whitaker/Smith Carried

<b>16. Progress Report: Rural Halls</b>	<b>File 401/ Halls</b>
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Council considered a progress report on the disposal of Benneydale, Mokaiti and Kopaki Rural Halls.

The Group Manager – Community Services expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The Progress Report: Rural Halls Disposal (Benneydale, Mokaiti and Kopaki) be received.

Goddard/Whitaker Carried

<b>17. Progress Report: Te Kuiti Railway Buildings</b>	<b>File 401/9992000100</b>
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Council considered a progress report on the Te Kuiti Railway Building Project.

The Group Manager – Community Services expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The Progress Report: Te Kuiti Railway Building be received.

Brodie/Whitaker Carried

<b>18. Progress Report: 28 Taupiri Street, Te Kuiti</b>	<b>File 401/0588423600</b>
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Council considered a progress report on the Feasibility Study being undertaken to assess the long term direction of the Te Kuiti Community House.

The Group Manager – Community Services expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The Progress Report: 28 Taupiri Street, Te Kuiti – Renewals and Entrance be received.

Te Kanawa/Smith Carried

<b>19. Progress Report: Road Map Work</b>	<b>File 037/048B</b>
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<b>Programme</b>
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Council considered a business paper presenting the monthly update on progress against the Road Map Work Programme adopted by Council on 26 August 2014.

The Executive Assistant expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Road Map Monitoring Schedule as at 26 May 2015 be received.

Goddard/Whitaker Carried

The Group Manager – Customer Services, Environmental & Regulatory Services Leader and Community Development Coordinator entered the meeting at 1.00pm.

<b>20.</b>	<b>2015-2018 Triennial Grant Applications</b>	<b>File 400/130M</b>
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Council considered a business paper presenting the combined 2015-2018 Triennial Grant Application Appraisal Scores for consideration and approval of funding allocations.

The Group Manager – Customer Services and Community Development Coordinator expanded verbally on the business paper and answered Members' questions.

**Resolution**

- 1 The business paper on 2015-2018 Triennial Grants Applications be received.
- 2 Subject to the adopted 2015-2025 Long Term Plan retaining provision of \$30,000 for Triennial Grants, Council approve the 2015-2018 Triennial Grants as follows:

<b>Applicant</b>	<b>Grant Amount</b>
Te Kuiti Kaumatua Games Coalition	\$500.00
Mokau School	\$2,000.00
Destination Pureora	\$3,500.00
Citizens Advice Bureau	\$2,500.00
Te Kuiti Branch of the Royal NZ SPCA	\$0.00
Benneydale Hall Incorporated	\$0.00
Piopio Outdoor Bowling Club	\$0.00
Te Kuiti Community House Trust	\$3,500.00
Hillview Trust Inc	\$0.00
Project Piopio Trust	\$2,925.00
NZ Shearing Championships Inc	\$5,000.00
Te Kuiti Development Incorporated	\$2,925.00
Te Kuiti & Districts Pipe Band	\$1,000.00
Piopio College Pool	\$2,000.00
Te Kuiti Pa Cemetery Committee	\$0.00
Maniapoto Family Violence Intervention	\$1,650.00
Benneydale and Districts Historical Display	\$500.00
Tainui Historical Society Museum	\$2,000.00

- 3 A review of the Triennial Grants process be included in the Road Map Work Programme.

Te Kanawa/Brodie Carried

The Community Development Coordinator left the meeting at 1.36pm.

<b>21. Motion to Exclude the Public</b>	<b>File 037/043</b>
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Council considered a business paper pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987 giving Council the right by resolution to exclude the public from the whole or any part of a meeting on one or more of the grounds contained within that Section.

**Resolution**

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 Council agree that the following staff, having relevant knowledge, remain  
  
Chris Ryan, Chief Executive  
Michelle Higgle, Executive Assistant  
Helen Beever, Group Manager – Customer Services  
Elsa Du Toit, Environmental & Regulatory Services Leader
- 3 The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for this resolution
1. Provisional Local Alcohol Policy: Appeals Process	7(2)(h) Maintain legal professional privilege	48(1)(a)
2. Te Kuiti Campground Investigation: High Level Conceptual Design	7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a)
3. Retirement Housing Proposal – Te Kuiti	7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a)
4. Progress Report: WMF Work Streams – Waikato Spatial Plan	7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6, Section 7 or Section 9 of the Official Information Act 1982 as the case may require are listed above.

Whitaker/Te Kanawa      Carried

There being no further business the meeting closed at 2.19pm.

Dated this 26<sup>th</sup> day of May 2015.

BRIAN HANNA  
**MAYOR**

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Document No: 365057

File No: 037/020/15

**Report To: Council****Meeting Date: 23 June 2015****Subject: Adoption of Policy on Rates Remission (Including Remissions and Postponements of Rates on Maori Freehold Land)**

### Purpose of Report

- 1.1 The purpose of this business paper is to present the draft Policy on Rates Remission (Including Remissions and Postponements of Rates on Maori Freehold Land) for adoption following public consultation.

### Risk Considerations

- 2.1 No risks have been identified in regards to matters contained in this business paper.

### Background

- 3.1 The Policy on Rates Remission (Including Remissions and Postponements of Rates on Maori Freehold Land) referred to as **RRP** hereafter, was adopted by Council for audit on 24 February 2015 as part of the package of Supporting Information to the Consultation Document (CD) for the Long Term Plan (LTP).
- 3.2 The RRP is required to be publicly consulted separately to the CD, in a manner which gives effect to section 82 and 82A of the LGA.
- 3.3 Section 82A of the LGA requires the following information to be made publicly available when consulting in a manner which gives effect to section 82:
- the proposal and the reasons for the proposal
  - an analysis of the reasonably practicable options, including the proposal
  - in case of an amendment to a policy, details of the proposed changes to the policy
  - in the case of a policy to be adopted, a draft of the proposed policy.
- 3.4 A Statement of Proposal was prepared for the draft RRP which incorporated the information required by the LGA. The draft RRP was adopted by Council for consultation on 24 March 2015.

### Commentary

- 4.1 The consultation period for the draft RRP was run concurrently with the CD consultation, from 1 April 2015 to 1 May 2015.

- 4.2 No submissions were received as part of the draft RRP consultation, however, one submission received as part of the consultation process for the CD related to the RRP.
- 4.3 The Hauauru Ki Uta Regional Management Committee submitted that there should be no charge for waste water rates for non-residential properties in Te Kuiti for Marae.
- 4.4 Marae already receive a rates remission of 100% of the assessed Rates including service charges except for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services and solid waste management services. This is to pay specifically for the services used.
- 4.5 The above submission was considered by Council as part of the LTP deliberations on 26 May 2015 and did not result in any changes to the draft RRP.
- 4.6 The draft RRP is included as Appendix 1 of this report.

### **Suggested Resolutions**

- 1 The business paper on the adoption of the Policy on Rates Remission (Including Remissions and Postponements of Rates on Maori Freehold Land) be received.
- 2 The Policy on Rates Remission (Including Remissions and Postponements of Rates on Maori Freehold Land) be adopted.



VIBHUTI CHOPRA  
**GROUP MANAGER – CORPORATE SERVICES**

18 June 2015

Attachment: 1 Policy on Rates Remission (Including Remissions and Postponements of Rates on Maori Freehold Land) (341737)



## **Policy on Remission of Rates**

### **(Including Remissions and Postponements of Rates On Maori Freehold Land)**

February 2015

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## 1.0 Introduction

- 1.1 The Local Government (Rating) Act 2002 (LGRA) authorises Council to set, assess and collect rates to fund its activities.
- 1.2 Section 85 of the LGRA and Section 102 (3) (a) of the Local Government Act 2002 (LGA) provide authority for Council to remit rates and to adopt a rates remission policy. Council sets rates on all rateable land in accordance with its Revenue and Financing Policy (RFP) adopted under Section 102(2) (a) of the LGA and its Funding Impact Statement (FIS) adopted under Section 20, Schedule 10 of the LGA.
- 1.3 The Rates Remission Policy (RRP) documents any exceptions to the application of the Funding Impact Statement, the objectives sought by way of exception and the criteria applied to determine eligibility.
- 1.4 The RRP sets out a policy for the remission of rates under the following headings:
- Remission of Rates for Properties used jointly as a single unit.
  - Remissions for Community Organisations.
  - Remission for Organisations providing Care for the Elderly.
  - Remissions for land owned by Clubs and Societies.
  - Remission of Rates for Council Properties.
  - Remission of Rates on Maori Freehold land.
  - Remission of Penalties
  - Remission of Rates for New Residential Subdivisions.
  - Remission of Rates in Cases of Genuine Financial Hardship.
- 1.5 The RRP is authorised by the LGA. In particular Section 109 of the LGA provides that any **Rates Remission Policy** must address the following;
- (1) *A policy adopted under section 102(3) (a) must state-*
- (a) *The objectives sought to be achieved by the remission of rates;*  
*and*
- (b) *The conditions and criteria to be met in order for rates to be remitted.*
- (2) *In determining a policy under section 102(3) (a), the local authority may consider the matters set out in Schedule 11 LGA [Matters relating to rates relief on Maori freehold land].*
- (3) *For the purposes of this section, the term **rate includes** penalties payable on unpaid rates.*
- 1.6 Section 85 of the LGRA provides that Council may remit rates on the following basis:
- (1) *A local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if-*
- (a) *The local authority has adopted a remissions policy under section 102 (3) (a) of the Local Government Act 2002; and*
- (b) *The local authority is satisfied that the conditions and criteria in the policy are met.*

- (2) *The local authority must give notice to the ratepayer identifying the remitted rates.*

## **2.0 Delegation to Operate, Application Process and Review of Decisions**

- 2.1 The Chief Executive is delegated the authority to apply the Rates Remission Policy. Access to the rate remission arrangements is by way of annual application to the Council by the owner or occupier of the rating unit(s) or by staff who may process applications on behalf of owners of undeveloped and unoccupied Maori Freehold Land.
- 2.2 In the event that any applicant, for remission of rates, seeks a review of any decision taken under delegation the following process shall be followed:
1. Any application for review shall be made in writing, on the prescribed form, outlining the reasons for seeking a review and including appropriate documentation in support.
 

Note: Additional information may be requested to allow a better understanding of the merits and background of the application.
  2. The application will be investigated and the application together with a report and recommendation thereon will be submitted to a meeting of the Council for its consideration and decision.
- 2.3 The decision of the Council will be final, and the applicant will be notified of the decision within 10 working days.

## **3.0 Remission of Rates for Properties Used Jointly as a Single Unit**

### **3.1 Introduction**

Sections 15(2) and 16 of the LGRA provide that a Uniform Annual General Charge (UAGC) and a Targeted Rate are rates for the purposes of the Act.

The Council's RFP sets out how UAGCs and Targeted Rates are assessed against rateable land.

Section 20 of the LGRA provides that two or more rating units must be treated as one unit for setting a rate if certain criteria are met;

*... those units are –*

- (a) *owned by the same person or persons; and*
- (b) *used jointly as a single unit; and*
- (c) *contiguous or separated only by a road, railway, drain, water race, river or stream.*

This section of the RRP addresses land ownership and land use situations that fall outside of that limitation defined by Section 20 of the LGRA.

In certain situations Council believes the criteria provided for in Section 20 (a) and (c) of the LGRA does not assist ratepayers where rateable land is used as part of a farm operation.

A remission will be granted in respect of rateable property used for farming purposes where Council is satisfied its objectives are met.

### **3.2 Objectives of the Policy**

- To extend the definitions of ownership and contiguous land as contained in Section 20 (a) and (c).
- To assist the use of rateable land as part of a farming operation where not all the rateable land is contiguous with land owned, or occupied under long term lease, by the same person or persons but is nevertheless used jointly as a single farming unit. The intention being to ensure that the use of such rateable land for farming purposes is not disadvantaged by the obligation to pay multiple UAGCs and other Targeted uniform annual charges – (i.e. all rates other than those charged on the basis of capital value).
- To assist ongoing rural economic development by removing a UAGC and Targeted uniform annual charge liability that might create a cost barrier to the efficient integration of non contiguous land into one farming operation.
- To assist in the utilisation of unoccupied, undeveloped land in township areas to achieve:
  - good land management,
  - an improvement to visual amenity values
  - better environmental outcomes through assisting in weed and pest management
  - reduction of risk of fire hazard and to public health
- By enabling non-contiguous vacant sections that are owned or occupied under long term lease by the same person or persons and used jointly as a single unit that might otherwise be unfairly disadvantaged by way of the obligation to pay multiple UAGCs and other Targeted uniform annual charges.

### **3.3 Conditions and Criteria**

The following categories of land use shall determine whether or not this policy shall apply to rateable land.

#### **1 Rateable Land used for Farming Purposes**

For the purposes of this policy, land used for farming purposes shall be defined as land used for 'pasturage'; being, the business of feeding or grazing livestock. Eligible farming properties are those where:

- a The applicant is the owner or can demonstrate a long term interest in two or more separately rateable rural farm properties and that two or more of those properties are used for farming purposes; and
- b The properties are used jointly as a single farm property for the purpose of carrying out a farming operation; and
- c The property for which the remission is sought does not carry sufficient improvements to allow it to be operated as a separate farming unit; and
- d The land for which the remission is sought is not occupied by a habitable dwelling.

## 2 Rateable Land located in Townships

Rateable land located within Waitomo District townships where:

- a The applicant is the owner or holds a written long term interest in two or more separately rateable properties that are not contiguous; and
- b The properties are used jointly as a single property; and
- c The property for which the remission is sought does not carry improvements exceeding \$1,000 in value, and is not occupied by a dwelling.
- d The property for which the remission is sought must be maintained in good order and repair as ascertained by the Council.

Application for remission of rates on properties used jointly as a single unit must be made on an annual basis to ensure continued eligibility for remission.

## 4.0 Remissions for Community Organisations (Schedule 1, Part 1: Land fully non-rateable)

### 4.1 Introduction

Schedule 1, Part 1 of the LGRA defines land categorised as non-rateable for the purposes of the LGRA.

Council recognises that Schedule 1, Part 1 of the LGRA limits the authority to set, assess, and collect rates on certain land. However non-rateable properties are liable for Targeted Rates assessed for the provision of services as contained within the Funding Impact Statement.

The LGRA provides in Schedule 1, Part 1 that the land defined in the following clauses is fully non-rateable:

- (4) *Land used by a local authority-*
  - (c) *for a public hall, library, athenaeum, museum, art gallery, or other similar institution.*

- (6) *Land owned or used by, and for the purposes of, -*
- (b) *an education establishment defined as-*
- (iv) *an early childhood centre*
- (9) *Land used solely or principally-*
- (a) *as a place of religious worship*
- (12) *Land that is set apart under s338 of Te Ture Whenua Maori Act 1993 and-*
- (a) *that is used for the purposes of a marae or meeting place and that does not exceed 2 hectares*

Council wishes to limit the liability for Targeted Rates for some properties classified under Schedule 1, Part 1 of the LGRA.

Council also wishes to remit rates on rateable land where the land use is similar to the land uses defined in Schedule 1, Part 1 but which fall outside of the uses defined in the schedule.

This Policy sets out the remissions available to Waitomo arts and heritage groups, pre-schools, marae and churches. This Policy clarifies liability for groups listed under Schedule 1, Part 1, Sections (4) (6) (9) and (12)).

#### **4.2 Objectives of the Policy**

- To extend the arrangement provided for in the LGRA (for arts and heritage groups on Council land), to similar arts and heritage groups on private land.
- To support the development of arts and culture in the Waitomo District.
- To clarify liability for marae, churches and pre-schools' service charges.

#### **4.3 Conditions and Criteria**

- (a) Community halls, art galleries and museums receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage, solid waste collection services and solid waste management services. Any Community halls, art galleries or museums opting for a private solid waste collection arrangement will not pay the solid waste collection rate, and would not receive a collection service. Community halls are defined as those halls and community centres located on Council administered land, and those privately owned community halls recognised as fulfilling the same primary function as public halls.
- (b) Pre-schools, marae and churches receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services and solid waste management services. Any Pre-school, marae or church opting for a private solid waste collection arrangement would not pay the solid waste collection rate, and would not receive a collection service.

- (c) Not for Profit organisations, which exist exclusively or principally for the provision of emergency services, receive a rates remission of 100% of the assessed rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage, solid waste disposal, solid waste collection services and solid waste management services. Any organisations, opting for a private solid waste collection arrangement will not pay the solid waste collection rates, and would not receive a collection service.
- (d) The policy does not apply to organisations operated for the purposes of profit or gain. Nor will it apply to groups and organisations who engage in community services as a secondary purpose only.
- (e) Organisations making application should include the following documents in support of their application:
- Statement of objectives
  - Full financial accounts
  - Information of activities and programmes
  - Details of membership
- (f) Community Organisations that have not previously received a remission must complete the full application form for rate remission for the current rating year. This form must be received by Council by 30 April.
- (g) To ensure their continued eligibility, Council will annually provide Community Organisations that have previously received rates remission with a statutory declaration that confirms the land-use remains eligible for remissions. That declaration must be completed and returned to the Council prior to 30 June of each year in order to qualify for remission of rates in the subsequent year.

Completion of this annual declaration removes the need for Community Organisations to make repeated annual rate remission applications. A completed declaration MUST be received before a rates remission can be considered.

A schedule of these Clubs, Societies and Organisations will be maintained and advised annually to Council.

- (g) The following Community Organisations are included in this policy on the basis that they are 'not-for-profit' and/or charitable organisations operating within the District for the benefit of the wider community:
- Te Kuiti Lyceum Club
  - Te Kuiti Music Theatre
  - Piopio Senior Citizens Club
  - Piopio Scouts
  - Te Kuiti Historical Society
  - Te Kuiti Plunket

Council retains discretion as to whether to grant a remission in any particular case.

## **5.0 Remission for Organisations providing Care for the Elderly**

### **5.1 Introduction**

Council wishes to support community-based organisations that provide much needed facilities and services for the Elderly within the Waitomo District. The intent is to recognise and assist those organisations that provide specialised care for the Elderly who, in the absence of such services, may need to relocate outside of the Waitomo District, away from family and friends.

### **5.2 Objectives of the Policy**

5.2.1 To support those organisations that provide facilities and services that care for and enable the Elderly to reside in the Waitomo District.

5.2.2 To support Council's commitment for Waitomo to be a district which:

- values its older people;
- promotes their meaningful contribution to the community; and
- facilitates a positive ageing experience for all.

5.2.3 To recognise the ageing population of New Zealand and this District, Council aims to facilitate and support the provision of a range of accessible, safe and affordable housing for the elderly.

### **5.3 Conditions and Criteria**

5.3.1 Organisations that demonstrate compliance with the following criteria will receive a rates remission of 100% of assessed rates EXCLUDING service charges set for Water, Sewerage and Solid Waste Collection and Disposal Services. Any organisation opting for a private Solid Waste Collection arrangement will not pay the Solid Waste Collection Rate and would not receive a Collection Service.

This remission arrangement is available on application on an annual basis by qualifying organisations which:

- (a) Are charitable organisation(s). Charitable organisations are organisations (incorporated or not) that carry out charitable activities or exist exclusively for charitable purposes. For an organisation's purposes to be charitable its activities or aims must be for public purposes - the benefit must be available to a large part of the community. In addition, it must not be carried on for the benefit or profit of any individual or group; and
- (b) Provide Rest Home level of care to the Elderly. Rest Home level of care is defined as the provision of '*everyday living assistance*' to the Elderly who are fully dependant on other people to assist them with everyday life (e.g. to cook, clean, shower, etc); and/or
- (c) Provide Hospital Level Care for the Elderly. Hospital level care is defined as provision of palliative care type facilities, the ability to prescribe medicines as per national health standards and have the

requisite number of trained nurses as per national and DHB health standards.

#### **5.4 Piopio Retirement Trust (Inc)**

5.4.1 In recognition of the unique situation that exists with the Piopio Retirement Village and of the invaluable role it plays within the Piopio Community, both now and for in the future, annual rate remissions as detailed below be approved:

- (a) A single pumped tank will be located at the low point near the entrance to the Village, including connection to the main sewer.
- (b) The Piopio Retirement Village will receive an annual rates remission of nine service charges for Sewerage and 50% of nine service charges for Solid Waste Collection, Solid Waste Management and Water.
- (c) An annual declaration is required from the Piopio Retirement Village confirming that the status of the Trust has not changed.
- (d) Council retains the right to review and/or withdraw its support to the Piopio Retirement Village at any time should circumstances change.
- (e) The annual remission for the Piopio Retirement Village will form part of Council's total annual rates remission budget and it will be separately funded by way of a TUAC levied on all rateable units situated within the Piopio Township Sewerage Network and the Piopio Wider Benefit Rating Area.

## **6.0 Remissions for land owned by Clubs and Societies (Schedule 1, Part 2 of the Local Government Rating Act 2002 Land 50% non-rateable)**

### **6.1 Introduction**

This Policy provides remissions of rates to sport clubs and societies.

Section 8 and Schedule 1, Part 2 of the LGRA provide that certain land used or owned by a society, or an association of persons must not be assessed for rates at a value of more than 50% of the rates that would otherwise have been assessed under Council's RFP and in the Funding Impact Statement (FIS).

This land is known as 50% non-rateable.

The land for which assessed rates must not exceed 50% includes:

- Land owned or used by Agricultural and Pastoral Societies as a showground or place of meeting, and
- Land used or owned by sport clubs.
- Land used or owned for the purpose of any branch of the arts

Note: 50% non-rateable land is rateable for Targeted Rates set under Sections 16 and 19 of the LGRA for water supply, sewage disposal, solid waste collection services and solid waste management services.

For the purposes of this part of this Policy, those Targeted Rates are described as Service Charges.

Council seeks to remit Service Charges set for the purpose of funding water supply, sewage disposal, solid waste collection services and solid waste management services, as defined in the RFP and in the FIS. That remission arrangement is made for land used or owned by certain societies and sports clubs.

Note: This remission arrangement does not extend to all land defined as 50% rateable under Schedule 1, Part 2, LGRA. That land remains liable for the payment of service charges as defined in the RFP and in the FIS.

The LGRA provides:

*Land 50% non-rateable (Schedule 1 Part 2):*

(2) *Land owned or used by a society or association of persons (whether incorporated or not) for games or sport, except galloping races, harness races, or greyhound races.*

*For the purposes of this Part, unless the context otherwise requires-*

- *land does not include land used for the private pecuniary profit of any members of the society or association*
- *land in clause 2, excludes land in respect of which a club licence under the Sale of Liquor Act 1989 is for the time being in force.*

*Rate liability on 50% non-rateable land (section 8):*

(2) *Rates assessed for the land described in Part 2 of Schedule 1 must not exceed 50% of the rates that would otherwise have been assessed if the land were not described in that schedule.*

## **6.2 Objectives of the Policy**

Council recognises the value of encouraging participation in active and passive recreation for the well-being of its communities. This Policy aims to support the development of sport and physical recreation in the Waitomo District by providing rates remissions for private clubs at the same level as those clubs located on and having long term tenure over Council owned land which is non-rateable under Schedule 1, Part 1 (4) of the LGRA.

## **6.3 Conditions and Criteria**

The following policy applies to sport and recreation clubs located on either Council owned or privately owned or administered land.

(a) Sport and recreation groups receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage, solid waste disposal and solid waste collection services and solid waste management services. Any Club or Association opting for a private

solid waste collection arrangement would not pay the solid waste collection rate, and would not receive a collection service.

- (b) This remission arrangement is available on application by qualifying societies and organisations who:
- 1 Are groups identified by Schedule I Part 1(4b) and Part 2(2) of the LGRA (2002) and who:
    - (i) Demonstrate that their primary function is for the purpose of sport or physical recreation, and
    - (ii) Are non-profit organisations, not providing recreation or fitness services for commercial profit, and
    - (iii) Are able to demonstrate that they are currently operative, and
    - (iv) The primary use of their facility for which they are seeking remissions is for the purpose of that organisation's sport or physical recreation activity, and
    - (v) Can demonstrate that their activities benefit or are available to the entire community.
- (c) Clubs or Societies that have not previously received a remission must complete the full application form for rate remission for the current rating year. This form must be received by Council by 30 April.
- (d) To ensure their continued eligibility, Council will annually provide sport and recreation clubs that have previously received rates remission with a statutory declaration that confirms the land-use remains eligible for remissions. That declaration must be completed and returned to the Council prior to 30 June of each year in order to qualify for remission of rates in the subsequent year.
- Completion of this annual declaration removes the need for sport and recreation clubs to make repeated annual rate remission applications. A completed declaration MUST be received before a rates remission can be considered.
- (e) A schedule of all organisations receiving remissions will be maintained annually by Council.

## **7.0 Remissions of Rates for Council Properties**

### **7.1 Introduction**

This section of the Policy is included for the sake of transparency. The LGRA provides that certain Council land is non-rateable. This Policy extends that non-rateable status to include any Council property which does not fall within the category of non-rateable land, but never the less the land held by Council has

no current operational use that can be attributed for the day to day delivery of a service to the communities of Waitomo District.

The LGRA defines non-rateable Council land (Schedule 1, Part 1, Section 4 LGRA) as:

- (4) *Land used by a local authority-*
- (a) *for a public garden, reserve or children's playground:*
  - (c) *for a public hall, library, athenaeum, museum, art gallery or other similar institution:*
  - (d) *for public baths, swimming baths, bathhouses, or sanitary conveniences*

## **7.2 Objectives of the Policy**

To avoid the need to set, assess and collect rates funding from the District community to pay rates on Council property that is for the time-being not used for any operational purpose.

## **7.3 Conditions and Criteria**

The Council has delegated authority to the Chief Executive to remit rates set, assessed and levied on land owned or occupied by the Council where the Chief Executive is satisfied that no operational use can be attributed to that land.

# **8.0 Remission of Rates on Maori Freehold Land**

## **8.1 Introduction**

The LGA provides that Council must adopt under Section 102(2)(e) a policy on the remission and postponement of rates set, assessed and levied on Maori freehold land.

Section 108 (3) of the LGA provides that any such policy places no obligation on Council to provide for the remission of, or postponement of the requirement to pay, rates on Maori freehold land.

Council wishes to provide for a fair and equitable rating system, recognising that some Maori owned freehold land has particular conditions, features, ownership structures, or other circumstances.

Council wishes to support and promote sustainable growth and development within key sectors of the local economy. In addition all of the community have a stake in the District's open spaces. Council recognises Tangata Whenua aspirations to define, preserve and maintain their traditional spiritual, cultural, social, and economic links with Ancestral Lands, waterways, places of habitation, Waahi Tapu and other Taonga.

The Council is of the view that Waitomo District community outcomes are improved if:

- Owners or Trustees of Maori freehold land benefit from better and appropriate use of undeveloped land, through providing a clear policy on the liability of the land for the payment of rates.

- Council and the Waitomo District community benefit through the efficient collection of rates where they are deemed to be payable.

## 8.2 **Objectives**

The remission of rates on Maori freehold land pursuant to Section 108, LGA 2002, and in recognition of the objectives of the Te Ture Whenua Maori Act, recognises that:

- (a) There are situations where there is no occupier or person gaining economic or financial benefit from the use of, or habitation on the land.
- (b) Some freehold Maori land might be better set-apart from development because of its natural features, significant vegetation and/or habitat, and cultural significance.
- (c) Physical access to some Maori freehold land is not available or is not practicable.
- (d) Takes into account the presence of waahi tapu that may limit the use of the land for other purposes.
- (e) A remission of rates should normally apply to those portions of land not occupied, and/or undeveloped, except for rating units that comply with 8.4.1, PART B (1), Category A in this policy (below).
- (f) Assessing rates against certain Maori freehold land might limit or restrict the development of an economic use of the land.

The Local Government (Rating) Act 2002 (LGRA) provides:

- *Maori freehold land is defined by the LGRA 2002 as "land whose beneficial ownership has been determined by the Maori Land Court by freehold order". Only rateable land that is the subject of such an order may qualify for remission under this policy.*
- *Maori freehold land is liable for rates in the same manner as if it were general land, subject to the provisions of Part 4 of the LGRA.*

The Local Government Act 2002 provides:

- *Sections 102 (2)(e) and 108 and Schedule 11 of the LGA sets out the requirements Council must consider in adopting any policy on the remission and postponement of rates on Maori freehold land.*

Te Ture Whenua Maori Act 1993 states as its purposes:

- (1) *It is the intention of Parliament that the provisions of this Act shall be interpreted in a manner that best furthers the principles set out in the Preamble to this Act:*

*Preamble principles:*

- *to recognise that land is a taonga tuku iho (of special significance) to Maori people,*
- *to promote the retention of that land in the hands of its owners, their whanau, and their hapu,*

- *to protect waahi tapu,*
- *to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu,*
- *to maintain a Court and to establish mechanisms to assist the Maori people to achieve the implementation of these principles:*

Te Tiriti o Waitangi (Treaty of Waitangi):

- *Shall be taken into account under the LGA and the Resource Management Act 1991.*

### 8.3 **Interpretation of Terms**

<b>Term</b>	<b>Interpretation</b>
Hapu:	Whanau groups descended from their own hereditary ancestor.
Maori customary land:	Land held under the customs and usages of the Maori people, the title to which has not been investigated by the Maori Land Court
Maori freehold land:	Land whose beneficial ownership has been determined by the Maori Land Court by freehold order.
Taonga tuku iho:	Legacy, treasure
Unoccupied or Undeveloped Land	Land will be defined as unoccupied or undeveloped unless there is a person, whether with a beneficial interest in the land or not, who, alone or with others, carries out any of the following activities on the land: (a) leases the land; and/or (b) does any of the following things on the land, with the intention of making a profit or for any other benefit: resides on the land; de-pastures or maintains livestock on the land; stores anything on the land, or uses the land in any other way.
Waahi tapu:	Means land set apart under Section 338(1) (b) of the Te Ture Whenua Maori Act 1993 (a place of special significance according to the meaning, custom, obligation and conditions to Maori).
Whanau:	Extended family in which a person is born and socialised.

### 8.4 **Conditions and Criteria**

8.4.1 Other than Maori freehold land that may from time to time be exempted by an Order in Council (as provided for in Section 116 LGRA 2002), this policy does not provide for permanent remission or postponement of rates on all other Maori freehold land recognising the potential for changes in circumstance and land use.

**(N.B.** Council will pursue the identification of Maori freehold land that would be eligible for rates exemption and all such properties, once identified and

confirmed, will be removed from the rating database in terms of s.116 [Exemption of Maori freehold land from rates] LGRA 2002).

**Part A: Council Discretion**

- (1) Maori freehold land is liable for rates in the same manner as if it were general land and any rates set, assessed and levied will be collected to the extent authorised by and practicable under legislation.
- (2) Where a remission of rates is made the obligation is on the applicant to advise any change of use that might affect the eligibility of the land for any remission.

(Note – Council will require that any rates remissions be repaid where the failure to notify Council of a change in circumstance impacts on the eligibility of the land for a rate remission).

- (3) Council's valuation service provider will provide three yearly land use reports to coincide with the three yearly revaluation cycle. These reports will be used to monitor changes in land use and to determine any eligibility for rates remission under this policy.
- (4) Council will monitor, on an ongoing basis the use of any Maori freehold land enjoying a rate remissions under this policy. If, in the Council's opinion, the underlying status of the land has changed and income is being generated from the land, Council will review the land's eligibility for rates remissions.
- (5) Council staff may process applications on behalf of owners of undeveloped and unoccupied Maori Freehold Land, (meaning land that is unoccupied and where no income is derived from the use of that land) after making reasonable enquiry into ownership of such properties. Decisions on these remissions are to be made directly by the Chief Executive on the recommendation of officers and may include rate remissions on qualifying Maori freehold land for current year rates and rates arrears.

**Part B: Maori Freehold Land Rates Remission Register**

- (1) Council will maintain a register titled the Maori Freehold Land Rates Remission Register for the purpose of recording the rating units for which rates are remitted pursuant to this Policy. The Register will comprise of two category lists, which are summarised as:

**Category A: Maori Freehold Land – General Remissions List**

- For the purpose of recording remissions on unoccupied or unproductive land that achieves objectives (a), (b), (c), (d) and (e), as shown in 8.2 (above).
- 100% of all rates set on these properties; except Targeted Rates set for water supplies, sewage disposal or solid waste collection will be remitted.
- Where there are no services provided to the property and/or it is uneconomic to pursue rates, all rates will be remitted.

**Category B: Maori Freehold Land - Economic Use and Development Remissions List**

- For the purpose of recording remissions on potentially productive land that achieves objective (f), as shown in 8.2 (above)
- The level of rate liability on land recorded on this list will be subject to the criteria and calculations in PART D of this Policy.

**Part C: Category A: Maori Freehold Land - General Remissions List**

**(1) Eligibility**

The following land use categories will be considered for remission of rates:

- (a) Unoccupied or undeveloped Maori freehold land (meaning land that is unoccupied and where no income is derived from the use of that land):
  - (i) That is better set aside and protected from use because:
    - of its special cultural significance and unique natural features, or
    - to protect the indigenous flora and fauna under a formal protection arrangement; and/or
  - (ii) Has no legal or practicable road access available to the land or is inaccessible.

**(2) Criteria**

An annual application for a rate remission under Category A: Maori Land General Remissions List must be made prior to commencement of the rating year and no later than 30 April in each year. The application must be made on the prescribed form. That application must be supported by sufficient supporting information to allow an informed decision to be made in respect of the application. Other material that Council will require is outlined under each of the following land-use sections.

- (a) Documentation that the land in question has been determined to be Maori freehold land by the Maori Land Court by way of freehold order.
- (b) A copy of the Certificate of Title if available.
- (c) An identified owner, agent of owner, or occupier to be recorded on the rating records pursuant to Part 4 of the Local Government (Rating) Act 2002.
- (d) That identified owner, agent of owner or occupier must provide Council with evidence that he or she has full control over the property.

- (e) Details of the property size and use.
- (f) Aerial photographs if available.
- (g) A description of the intended use of the land, and a statement as to how the objectives defined under this Policy will be achieved by the granting of rates remission.
- (h) Other documentation that Council may require to make a decision.

### **(3) Unproductive and Unoccupied Land Blocks**

The following provision shall apply:

- (a) Where a property is unproductive (assessed as having no income derived from the land) and unoccupied, including land that is better set aside for non-use because of its natural features and cultural significance and/or is inaccessible, shall be placed on the Category A: Maori Land General Remissions List.

### **(4) Dwellings on Maori Freehold Land**

The following provisions shall apply:

- (a) Where there is one or more dwelling on the land, Council may establish and identify separately used or inhabited parts of the rating unit:
  - That separately used or inhabited portion of the rating unit will be defined based on the area occupied, and/or the area undeveloped and uneconomic, with the written consent of the Trustee or Occupier.
- (b) Rates set assessed and levied on the separately used or inhabited portion of the property will be payable, shall remain paid and in all other respects comply with the provisions of this policy.

### **(5) Indigenous Flora and Fauna**

Indigenous Vegetation lots located wholly or partially on Maori freehold land shall be recorded on the "Maori Land Indigenous Vegetation Register". Each identified indigenous vegetation lot shall be checked every 3 years to verify the land use has remained unchanged.

- (a) Land considered under this policy is subject to the list by one or more of the following criteria being met. The land is unoccupied and:
  1. A traditional and important food source for Tangata Whenua.

2. A traditional and important source for cultural, medicinal, symbolic and spiritual needs of Tangata Whenua.
  3. Includes important tribal landmarks significant to Tangata Whenua.
  4. Important water catchment system to Tangata Whenua for sustaining physical and spiritual values.
- (b) Council will also take into consideration whether the land:
1. Has road access and/or access to other services.
  2. Contains indigenous forest of high ecological value.
  3. Is contiguous with forest reserves or National/Forest Parks
  4. Is complementary with Marae Reserve Areas.
  5. Contains remnants of interspersed indigenous vegetation that provide ecological value.
  6. Offers significant or assessable benefits and protection of developed lower lying land and/or protection for the investment in public roads.
  7. Complements the objectives of and quality of water achieved within formal established water catchment areas.
  8. Enhances and complements the objectives and quality of formal established wildlife areas.
- (c) Where part of the land is deemed to be in indigenous vegetation, the following information must be provided:
1. Location and calculation of the area of the land in question shall be provided.
  2. Photographs and valuation data shall be provided where available.

## **(6) Other Property**

Maori freehold land where no body corporate has been constituted under Part XIII of the Te Ture Whenua Maori Act 1993 has been established to administer such land and/or the

whereabouts of such owner/s is unknown may be considered for Category A remissions at Council's discretion.

**Part D: Category B: Maori Freehold Land - Economic Use and Development Remissions List**

**(1) Objectives and Eligibility**

The objective for Category B: Maori Land - Economic Use and Development Remissions is to provide an incentive to assist the conversion of otherwise undeveloped, unoccupied Maori freehold land, to an economic use through a progressive stepped application of a full liability for the payment of rates, over a five year period where:

- (a) There is an intention to make economic use of the land, or a clear intent to progressively develop the economic use of the land over time, Council will enter into a remission of rates arrangement with the Trustees/Owner(s) or Occupier(s) where the Council is satisfied such an arrangement will encourage economic use through development over time.

**(2) Extent of Remissions**

- (a) No remission will be granted on Targeted Rates for water supply, sewage disposal, and solid waste services
- (b) All applications for rates remissions toward economic development will be remitted on satisfaction of the application criteria outlined in clause Part C (2) and Part D (4) of this Policy.

**(3) Calculation of Liability**

- (a) At Council's discretion during the annual review and/or with negotiations with the land owner/s or trustees, a staged rates requirement will be implemented according to the following schedule:

Year 1	Not less than 20% payable for that year
Year 2	Not less than 40% payable for that year
Year 3	Not less than 60% payable for that year
Year 4	Not less than 80% payable for that year
Year 5	100% payable for that year.

**(4) Criteria**

The following additional supporting material may be required to make annual application for remissions under B: Maori Land - Economic Use and Development Remissions prior to commencement of the rating year.

- (a) A written plan setting out the planned economic use of the land or the planned economic development against a five year timeline prepared by a suitable

person holding authority over the land and responsible for the planned use.

- (b) Any other documentation that the Council may require to make an assessment.

## 8.5 Appeals

- 8.5.1 Appeals relating to decisions taken on the eligibility of Maori freehold land for rates remissions will follow the process outlined under Section 2.0 of this Policy – Delegation to Operate, Application Process and Review of Decisions.

## 9.0 Remission of Penalties

### 9.1 Introduction

This Policy outlines Council's process and criteria for the remission of penalties incurred by way of late or non-payment of rates, in accordance with Section 85 of the Local Government (Rating) Act 2002. Penalties are incurred for late or non-payment of rates in accordance with the amount set in Council's Funding Impact Statement.

### 9.2 Objective of the Policy

To disclose the circumstances under which Council will consider remitting penalty payments for late or non-payment of rates.

### 9.3 Policy and Criteria

Remissions for late or non-payment of rates will be considered on the following grounds:

Circumstance	Policy and Criteria	Delegation
Extenuating circumstances	Remission of a penalty incurred on an instalment will be considered in the following circumstances: <ul style="list-style-type: none"> <li>The ratepayer has a good payment history.</li> <li>Extenuating personal circumstances such as family illness, death or other tragedy.</li> <li>In circumstances considered just and equitable.</li> <li>Where there is an error made on the part of Council.</li> </ul>	Manager - Customer Services or Group Manager Customer Services
Approved Payment Arrangement	Penalties will not be levied where an Approved Payment Arrangement of a minimum of the annual rate x1.5 has been made.	Sub-Committee (CEO & Group Manager-Corporate Services)
	Penalties will not be levied where the remission of all or part of additional charges already levied, or yet to be incurred, will assist in resolving a long term debt situation.	Sub-Committee (CEO & Group Manager-Corporate Services)

<b>Circumstance</b>	<b>Policy and Criteria</b>	<b>Delegation</b>
Change of ownership	Remission of a penalty incurred on an instalment will be made where a property changes ownership, but the rates assessment and invoice has been sent to the previous owner.	Manager - Customer Services or Group Manager Customer Services
Abandoned Land sales or Rating sales	Any remaining arrears or penalties following sale of abandoned land, or rating sale, will be written off to ensure that the new owner begins with a nil balance.	Sub-Committee (CEO & Group Manager-Corporate Services)

- 9.7 All penalties remitted shall be recorded in the Penalty Remission Register, where the amount remitted is over \$10 for any individual ratepayer.

## **10.0 Remission of Rates for New Residential Subdivisions**

### **10.1 Introduction**

Council wishes to assist the establishment of new residential subdivisions by providing temporary rates relief from UAGCs assessed against individual vacant lots prior to sale. The Policy provides for the remission of uniform charges for the first full year following subdivision for residential use of 3 vacant lots or more. In that situation multiple lots will be treated as one rating unit. Application of remissions for one full rating year following subdivision provides incentive to sell as intended, but recognises that a full year may be required to achieve the developer's aim.

### **10.2 Objective of the Policy**

- To provide a one off remission of rates assessed against land held in separate title and forming part of a new residential subdivision so as to limit the impact of multiple UAGCs in the first year.
- To encourage development within Waitomo District by providing a one off remission to the subdivider or developer of any UAGC assessed against the newly created lot(s)

### **10.3 Conditions and Criteria**

1. This Policy will apply to land that:
  - (a) Has been subdivided into 3 or more vacant residential lots where the Titles have been issued; and
  - (b) The unsold lots remain in the ownership of the original subdivider/developer and the land has yet to be sold on to subsequent purchasers.
2. A Remission will be made for 100% of the UAGC for each unsold vacant residential lot, except one.

3. The Remission will only be made for the first full rating year following the creation of the new residential lots following subdivision.

## **11.0 Remission of Rates in Cases of Financial Hardship**

### **11.1 Introduction**

Where an application for rates relief due to financial hardship is received, Council may remit all or part of rates relating to a rating unit.

Applications on the grounds of financial hardship are considered only when exceptional financial circumstances exist.

Approved remissions are therefore a result of an extraordinary situation and should be recognised as an exception from the ratepayer's legal obligation to pay rates.

### **11.2 Objective**

#### **11.3 *The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.***

### **11.4 Conditions and Criteria**

- Preference will be given to rating units used solely for residential purposes (as defined by Council) when consideration is made for rates remission in cases of financial hardship.
- A ratepayer making an application must be the registered owner and occupier and have owned for not less than 5 years the property in respect of which rates relief is sought.
- A ratepayer making an application must not own any other rating units or investment properties (whether in the district or in another district).
- The ratepayer must supply sufficient evidence, including financial statements, to satisfy the Council that extreme financial hardship exists.
- When considering an application, the ratepayer's personal circumstances will be relevant such as age, physical or mental ability, injury, illness and family circumstances.
- Before approving an application, Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after making the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
- Council will consider, on a case by case basis, applications received that meet the criteria described in the first six paragraphs under this Policy.
- An application for remission on the grounds of financial hardship can be lodged in any year that such hardship exists.

- It is expected that the ratepayer will pay a minimum of the value of the Uniform Annual General Charge per annum towards his/her rates account. However, each case will be considered on its merits.
- If the applicant is eligible for a Rates Rebate then such application must be made at the time of applying for rates relief due to financial hardship.
- The Chief Executive is delegated authority to decline an application or remit rates, including arrears, of up to \$2,000 in any one case.
- The Chief Executive will provide Council with a regular monitoring report on all applications received for a hardship rates remission, and the decisions made.

Document No: 365041

File No: 037/020/15

**Report To: Council****Meeting Date:** 23 June 2015**Subject:** Adoption of Revenue and Financing Policy**Purpose of Report**

- 1.1 The purpose of this business paper is to present the draft Revenue and Financing Policy (RFP) for adoption following public consultation.

**Risk Considerations**

- 2.1 If Council does not adopt the RFP as recommended or requires material changes to the RFP, the adoption of the 2015-25 LTP could be delayed. This is because the legislative requirement for the LTP document is to contain the RFP adopted by Council.
- 2.2 The 2015-25 LTP needs to be adopted by 30 June 2015.

**Background**

- 3.1 Council is required to adopt a number of funding and financial policies as part of the Long Term Plan (LTP), which includes the RFP. Schedule 10 of the Local Government Act 2002 (LGA) requires the RFP to be already adopted under section 102(1) of the LGA prior to the adoption of the LTP.
- 3.2 The RFP is required to be publicly consulted separately to the Consultation Document (CD) for the LTP, in a manner which gives effect to section 82 and 82A of the LGA.
- 3.3 Section 82A of the LGA requires the following information to be made publicly available when consulting:
- the proposal and the reasons for the proposal
  - an analysis of the reasonably practicable options, including the proposal
  - in case of an amendment to a policy, details of the proposed changes to the policy
  - in the case of a policy to be adopted, a draft of the proposed policy.
- 3.4 Council reviewed its RFP as part of the development of the 2015-25 LTP and the RFP was adopted for audit on 24 February 2015.
- 3.5 A Statement of Proposal was prepared for the audited RFP which incorporated the information required by the LGA. The draft RFP was adopted by Council for consultation on 24 March 2015.

## Commentary

- 4.1 The consultation period for the draft RFP was run concurrently with the CD consultation, from 1 April 2015 to 1 May 2015.
- 4.2 No submissions were received as part of the draft RFP consultation.
- 4.3 However, a few of the submissions received as part of the consultation process for the CD were related to the RFP. The details of these are set out in the following paragraphs.
- 4.4 One of Council's proposals was to change the funding splits between General Rates and the UAGC for certain activities in the RFP so that the General rate proportion for those activities would be increased. 3 of the 5 respondents to this proposal supported the change and 2 respondents disagreed.
- 4.5 In addition, the Hauauru Ki Uta Regional Management Committee submitted on the proposal to change the RFP for waste water rates for non-residential properties in Te Kuiti stating that there should be no charge for the for Marae. Marae already receive a rates remission of 100% of the assessed rates including service charges except for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services and solid waste management services.
- 4.6 Federated Farmers submission focused mainly on RFP matters which covered:
- Suggestion to increase the use of UAGC until it reaches the 30% legislative cap
  - Review of funding for Solid Waste Management activity
  - Continued good use of targeted rates
  - Reassess desire to increase reliance on General Rate
  - Review of funding for District Development Rate.
- 4.7 All the above submission points were considered by Council as part of the LTP deliberations on 26 May 2015 and did not result in any changes to the draft RFP.
- 4.8 The RFP is included as Attachment 1 to this report.

## Suggested Resolutions

- 1 The business paper on the adoption of the Revenue and Financing Policy be received.
- 2 The Revenue and Financing Policy be adopted pursuant to section 102 (1) of the Local Government Act 2002.

VIBHUTI CHOPRA  
**GROUP MANAGER – CORPORATE SERVICES**

Attachment: 1 Revenue and Financing Policy (348973)



**REVENUE AND FINANCING POLICY**  
2015

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Adoption Date	<b>23 June 2015</b>
Responsibility	<b>Corporate Services</b>

## 1.0 INTRODUCTION

### 1.1 Background

- 1.1.1 Under Section 102 of the Local Government Act 2002 (LGA 2002), all local authorities are required to adopt a Revenue and Financing Policy (RFP).
- 1.1.3 The RFP provides details of Council's policies in respect of funding operating and capital expenditure, including how the policy was developed and what sources are used to fund the different activities. Total funding comprises a funding mix of rates, fees and charges, debt and other income.
- 1.1.4 The application of the Revenue and Financing Policy is reflected in the Funding Impact Statement for a particular financial year. To understand the rating impact of the policy it needs to be read in conjunction with the Funding Impact Statement.

### 1.2 Policy Intent

- 1.2.1 The purpose of this Policy is to clearly and transparently demonstrate how and why each significant activity of Council is funded.

## 2.0 LEGAL REQUIREMENTS

### 2.1 Local Government Act 2002

- 2.1.1 Section 102(1) of the LGA 2002 requires Council to adopt a Revenue and Financing Policy. Section 103 states the requirements of the policy:

#### 2.2 Section 103 Revenue and Financing Policy:

- (1) *A policy adopted under section 102(1) must state –*
- (a) *the local authority's policies in respect of the funding of operating expenses from the sources listed in subsection (2)*
  - (b) *the local authority's policies in respect of the funding of capital expenditure from the sources listed in subsection (2).*
- (2) *The sources referred to in subsection (1) are as follows:*
- (a) *general rates, including –*
    - (i) *choice of valuation system*
    - (ii) *differential rating*
    - (iii) *uniform annual general charges;*
  - (b) *targeted rates;*
    - (ba) *lump sum contributions;*
  - (c) *fees and charges;*
  - (d) *interest and dividends from investments;*
  - (e) *borrowing;*
  - (f) *proceeds from asset sales;*
  - (g) *development contributions;*
  - (h) *financial contributions under the Resource Management Act 1991;*
  - (i) *grants and subsidies;*
  - (j) *any other source.*
- (3) *A policy adopted under section 102(1) must also show how the local authority has, in relation to the sources of funding identified in the policy, complied with section 101(3).*

#### 2.3 Section 101(3) states:

*The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:*

- (a) *in relation to each activity to be funded –*
  - (i) *the community outcomes to which the activity primarily contributes; and*
  - (ii) *the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and*
  - (iii) *the period in or over which those benefits are expected to occur; and*
  - (iv) *the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and*
  - (v) *the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and*
- (b) *the overall impact of any allocation of liability for revenue needs on the community.*

#### 2.4 Section 14 Principles relating to Local Authorities

- 2.4.1 This section lists some general principles that a local authority must act in accordance with, when performing its role and conducting its business. In summary, local authorities are required to be:

- Open, transparent and accountable.
- Efficient and effective.
- Aware of and pay regard to the views of its communities.
- Focused on meeting Community outcomes.
- Responsive to diverse community interests including future generations.
- Collaborate actively with other local authorities.
- Inclusive of Maori.
- Based on sound business practices in the case of commercial transactions.
- Assess the expected returns of investments and assess if they are likely to outweigh the risks inherent in the investment
- Demonstrative of prudent stewardship of resources, including planning effectively for the future management of its assets.
- Based on a sustainable approach reflecting the social, economic, environmental and cultural interests of future generations.

## **2.5 Other Legal Requirements**

2.5.1 While the Revenue and Financing Policy is governed by the LGA 2002, there are other legislative requirements that are relevant for determining appropriate funding mechanisms such as:

## **2.6 Local Government (Rating) Act 2002**

2.6.1 The Local Government Rating Act 2002 sets out all the legal requirements for rating. It covers who is liable to pay rates, what land is rateable, what kind of rates may be set and how those rates are set, the valuation systems which may be used and the various rating mechanisms available (such as targeted rates). It also sets a number of limits on local government. For example, total uniform charges (excluding any targeted fixed rate charges for water or wastewater) may not exceed 30% of total rates revenue.

## **2.7 Building Act, Sale of Alcohol, etc**

2.7.1 A number of Acts, such as the above, set out statutory fees for various types of regulatory services. These fees may not be exceeded. Where fee setting is up to the local authority, there is often a general legal requirement for this to be "fair and reasonable". The Dog Control Act 1996 determines that revenue collected under authority of that Act may only be used to defray expenses incurred in the provision of this activity.

## **2.8 Resource Management Act 1991**

2.8.1 The Resource Management Act 1991 (RMA 1991) sets out Council's responsibilities in terms of the environment. It also specifies the circumstances in which local authorities may require financial contributions from developers to meet the costs of their impact on the environment, including their impact on the demand for infrastructure. Alternatively, under the LGA 2002, local authorities are allowed to seek development contributions or a combination of development and financial contributions under the respective Acts.

## **3.0 POLICY STATEMENT**

### **3.1 Funding Of Operating Expenditure**

3.1.1 Where expenditure does not create a new asset for future use, or extend the lifetime or usefulness of an existing asset, it is classed as operating expenditure.

3.1.2 Council funds operating expenditure from the following sources:

- General Rates
- Uniform Annual General Charge
- Targeted Rates
- Fees and Charges
- Interest and Dividends from investments
- Grants and Subsidies towards operating expenses
- Other Sources.

3.1.3 Council may choose to not fully fund operating expenditure in any particular year, if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years.

3.1.4 Council has determined the proportion of operating expenditure to be funded from each of the sources listed above, and the method for apportioning rates and other charges. The process used is as specified by the LGA 2002.

3.1.5 The Funding Impact Statement produced each year (as required by Schedule 10(20) LGA 2002) shows the impact of the Revenue and Financing Policy each year. It also shows the amounts to be collected from each available source, including how various rates are to be applied.

### 3.2 Funding Of Capital Expenditure

- 3.2.1 Capital expenditure is the spending on creation of a new asset, or extending the lifetime of an existing asset. Capital expenditure can also be incurred to improve the level of service provided by the asset.
- 3.2.2 The following sources are available for Council under the LGA 2002 to fund capital expenditure:
- Grants and Subsidies
  - Loans
  - Rates
  - Proceeds from Asset Sales
  - Depreciation Reserves
  - Financial Contributions under the Resource Management Act
  - Development Contributions under the Local Government Act
  - Other.
- 3.2.3 Council makes use of all of the above sources of funding of capital expenditure, with the exception of Development Contributions. Population trends show that there is no demand for growth related infrastructure at the present time. There is currently enough capacity in the infrastructure network to allow for nominal growth should it occur in an area. The RFP does not include a provision for growth related capital expenditure as it has been assumed that capital outlay to cater for growth will not occur until there is evidence that the assumed growth is taking place.
- 3.2.4 Council makes provision for capital expenditure for renewals and capital developments which relate to improvements to levels of service. Funding sources used by Council for capital expenditure for renewals in order of priority are, subsidies and grants (when available), depreciation funding, then loan funding, and lastly rate funding. Expenditure for capital developments for improvements to levels of service are funded in the following order of priority, subsidies and grants (when available), loan funding and lastly rate funding.
- 3.2.5 Loan funding is an appropriate funding mechanism to enable the effect of peaks in capital expenditure to be smoothed and also to enable the costs of major developments to be borne by those who ultimately benefit from the expenditure. This is known as the 'intergenerational equity principle' and means that the costs of any expenditure should be recovered from the community at the time or over the period the benefits of that expenditure accrue.

## 4.0 POLICY DEVELOPMENT PROCESS

In developing the Revenue and Financing Policy and determining the appropriate funding sources for each activity, Council considered each activity against the principles laid out in LGA 2002. These are:

### 4.1 Community Outcomes (COs)

- 4.1.1 These are the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions. Section 101(3)(a)(i) of the LGA 2002 requires that in determining the funding sources, Council identify the community outcomes to which each activity primarily contributes.
- 4.1.2 This Revenue and Financing Policy lists for each group of activities, the outcomes to which it primarily contributes, and states why each activity is undertaken.

### 4.2 Distribution of Benefits

- 4.2.1 Section 101(3)(a)(ii) of LGA 2002 requires costs to be allocated where the benefits lie. Council assessed the Distribution of Benefits for each activity, whether the benefits flowed to the District as a whole, or to individuals or identifiable parts of the community.
- 4.2.2 In order to assess the Distribution of Benefits, it is necessary to first describe and define the different types of benefits that flow from Council activities.

#### Definition of Terms

National Benefit	Benefits the nation and is public in nature.
District Benefit	Benefits the whole District and is public in nature.
Regional Benefit	Benefits the Region and is public in nature.
Commercial Benefit	Benefits the commercial sector and has elements of both public and private benefit.
Community Benefit	Benefits a particular Community of Interest and is public in nature.
User Benefit	Benefits an identifiable individual, group, or community segment.

Applicant	Benefits an Identifiable individual, group or community segment.
Offender / Exacerbator	The cost is the result of offenders, or ones who exacerbate a problem.

#### 4.3 Period of Benefits (Intergenerational Equity)

- 4.3.1 Section 101(3)(a)(iii) requires the consideration of intergenerational equity – the principle that costs of any expenditure should be recovered over the time that the benefits of the expenditure accrue. This principle applies particularly to the allocation of capital expenditure and results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it.
- 4.3.2 These principles of funding operating and capital expenditure are as stated in the Policy Statement section of this policy. They are assumed to apply to each activity, unless otherwise stated in the individual Activity Analysis section.
- 4.3.3 Operational expenditure is funded annually and therefore there are no intergenerational equality issues to be considered. Intergenerational equality issues arise in relation to capital expenditure and investments and are discussed in the Policy Statement section of this policy and identified in the individual activity analysis sections where relevant.

#### 4.4 Exacerbator Pays

- 4.4.1 Section 101(3)(a)(iv) requires Council to assess the extent to which each activity is undertaken to remedy the negative effects of the actions or inaction of an individual or group. It is important to note that the actions themselves may not be negative or “bad” but they may have negative effects on the whole community.

This principle (exacerbator or polluter pays principle) is particularly relevant to Council’s regulatory functions and other activities undertaken to mitigate the adverse effects on the environment.

- 4.4.2 The Exacerbator Pays principle suggests that Council should, where it is practical; recover any costs directly from the individual or group that contributes to the deterioration of a situation or to a cost that is a direct result of their actions.
- 4.4.3 Most activities do not exhibit exacerbator pays characteristics. This heading is only included in the analysis of those activities which do demonstrate such characteristics.

#### 4.5 Costs and Benefits

- 4.5.1 This consideration includes transparency, accountability and some assessment of the cost efficiency and practicality of funding a particular activity separately.
- 4.5.2 Transparency and accountability are most evident when an activity is totally distinctly funded. This allows rate-payers, or payers of user charges as the case may be, to see exactly how much money is being raised for and spent on the activity. However, funding every activity on such a distinct basis would be extremely administratively complex. The administrative costs and lack of materiality has led Council to fund a number of activities collectively. The individual Activity Analysis section of this policy does not repeat this argument for each activity.

#### 4.6 Overall Impact of the Funding Mechanisms Selected

- 4.6.1 Following the consideration of the matters referred to in Section 101(3)(a) a picture emerges of where the benefits of engaging in activities accrue. Once this is done and indicative costs allocation compiled, the final step in Council’s process of developing this policy has been to consolidate the results of the individual activity analysis and consider these results in terms of Section 101(3)(b). Section 103(b) requires Council to consider the overall impact of any allocation of liability for revenue needs on the community. The impact is assessed on the current and future interests of the community.

Council agreed that for most activities where a District benefit has been identified, funding that benefit allocation equally through General Rate and UAGC would be the most efficient, equitable and transparent funding method. Both the General Rate and the UAGC are appropriate funding sources when a District wide benefit is assessed.

Council’s reasoning behind this decision was that for some activities UAGC would be the most appropriate method for funding the District allocation because of the ‘equal benefit’ nature of the activity, but Council needs to take into account the ‘rates affordability’ and ‘ability to pay’ considerations within the community and also the legislative ‘cap’ on the amount that can be funded through the UAGC.

This reasoning by Council has not been repeated in the rest of the policy except where Council has made exceptions to it.

#### 4.7 Benefits Allocation and Funding Mechanism

- 4.7.1 Council's Revenue and Financing Policy has been developed at the functions level. The benefit allocation and funding mechanism for each function is included under the relevant activity in sections 6 to 8 of this policy.

#### 4.8 Use of Funding Mechanisms

- 4.8.1 The funding sources available to a local authority are set out under the LGA 2002 and the LGRA 2002. Presented below are descriptions of the available funding sources.

##### (a) General Rate

The General Rate is set under Section 13(2)(a) of the LGRA 2002 and has been used to part fund the activities of Leadership, Community Development, Community Services, Regulation, Resource Management, Investment and Solid Waste Management. It is set according to the Revenue and Financing Policy for these activities.

The General Rate is a rate per \$100 of capital value applied to all rateable properties in the District. A General Rate is used according to the Revenue and Financing Policy, when:

- Council considers that a capital value rate is fairer than the use of other existing rating tools for the service funded; and
- Council considers that the community as a whole should meet costs of the function; and
- Council is unable to achieve its user charge targets and must fund expenditure; or
- UAGC use would be a fair method but Council is constricted by the 30% cap (Section 21 LGRA 2002).

##### (b) Uniform Annual General Charge (UAGC)

The UAGC, assessed on each separately used or inhabited part of a rating unit (SUIP), is set under Section 15 of the LGRA 2002 and has been used to part-fund some activities where overall District-wide benefit has been assessed (details are contained within the relevant activity funding sections).

UAGC is assessed on each separately used or inhabited part (SUIP) of a rating unit to:

- Ensure equity in bearing the cost liability of a service (or part of service) which is deemed equally beneficial to all
- Ensure that those with multiple uses pay a fair share
- Provide a consistent treatment between all uniform charges.

In setting the UAGC, based on the Revenue and Financing Policy, Council will consider the following aspects:

- Adherence to the legislative cap (UAGC to be maximum of 30% of total rates excluding any fixed rate charges for water or wastewater) and;
- Set the amount of UAGC such that it is as fair as possible to all ratepayers and in consideration of the principles of affordability and sustainability.

Council may consider 'capping' the amount of the UAGC at a certain value or that any increase in UAGC will be limited to a maximum of the Local Government Cost Indicator (LGCI) for that year (to be determined by Council through the annual rates setting process).

This consideration is primarily to maintain rates affordability and is in keeping with section 101(3) of LGA 2002 which explicitly requires that the funding needs be met by sources considered appropriate by Councils', giving consideration to, among other things, the impact of the funding allocations on the interests of the community.

##### (c) Targeted Rates

A Targeted Rate is set under Sections 16 or 19 of the LGRA 2002 and has been used to part fund the groups of activities of Community Development, Community Services, Sewerage and Treatment and Disposal of Sewage, Water Supply, Stormwater Drainage, Solid Waste Management and Provision of Roads and Footpaths. Targeted Rates are set according to the Revenue and Financing Policy for these services.

A Targeted Rate is used according to the Revenue and Financing Policy, when:

- Council considers that a Targeted Rate would enable a higher level of transparency in funding allocation; or
- Council considers that a Targeted Rate is fairer than the use of other existing rating tools for the service funded, in consideration of the benefit derived from the service. The percentage of benefit is determined by Council's Revenue and Financing Policy.

The LGRA 2002 allows for Targeted Rates to be assessed on land defined on the basis of use to which land is put, area of land, location of land, the value of land and the provision or availability of Council services. Targeted Rates may be imposed as a fixed rate or differentially based on property uses.

Council will use location (Schedule 2(6) of LGRA) to define the land liable for a number of targeted rates based on location. The following location definitions for the respective rating areas will apply:

Te Kuiti Urban Rating Area	All rating units situated within the Te Kuiti Urban Ward as defined by the Basis of Election for the 2010 Triennial Elections shown as shaded grey on the map attached in Appendix One.
Te Kuiti Urban and Periphery Rating Area	All rating units situated within a 5km radius, all around, from the Information Centre (deemed to be the centre of town) in Te Kuiti. <i>(A map depicting the Te Kuiti Urban and Periphery Rating Area in pink and grey is attached, as Appendix One).</i>  Council considers this boundary of Te Kuiti Urban and Periphery Rating Area (for the purpose of assessing the Targeted Services Fixed Rate to be fair in consideration that the benefit derived from the services funded by this Targeted Fixed Rate are accrued equally by those living within the 5km radius.)
Rural Rating Area	All rating units situated within the Rural Ward as defined by the Basis of Election for the 2010 Triennial Elections, which is all rating units in the district excluding those rating units shaded grey on the map attached in Appendix One.
Piopio Township	All rating units connected to the Piopio Sewerage System.
Piopio Wider Benefit Rating Area/PWBRA	The area shown as yellow on the map attached as Appendix Two, but excludes all SUIPs / rating units connected to the Piopio Sewerage system.
Marokopa Community Centre Rating Area	Any SUIP or part of a SUIP which falls within the red lines marked on the map attached in Appendix 3.

**(d) Targeted Services Fixed Rate**

A Targeted Services Fixed Rate is set under Sections 16 and 18 of the LGRA 2002 and has been used to part fund the activities of Aquatic Centre and Unsubsidised Roothing. This Targeted Services Fixed Rate is set according to the Revenue and Financing Policy for these services. This rate will be assessed as a Targeted Fixed Rate differentiated by rating areas being the Te Kuiti Urban and Periphery Rating Area and Rating Units in the district not in the Te Kuiti Urban and Periphery Rating Area.

**(e) Fees and Charges**

Fees and Charges will be set according to Council's Revenue and Financing Policy where:

- It is assessed that the level of benefit to identified beneficiary/exacerbator groups justifies the seeking of user charges; and
- There are identifiable and distinct user groups/exacerbators identified by Council's Revenue and Financing Policy; and
- User fees represent the fairest method to seek a contribution from identified beneficiaries or exacerbators.

The Revenue and Financing Policy includes the percentage of fees and charges Council aspires to collect for the relevant activity. The actual fees and charges collected by Council will vary dependent on a number of external factors.

**(f) Interest, Subventions and Dividends**

Council receives limited interest from cash investments. Any interest received is used to offset the rate required in the year received.

Council has an investment in Inframax Construction Ltd. Any dividends and/or subventions received are used to accelerate repayment of debt.

**(g) Borrowing**

Borrowing is managed by the provisions of Council's Treasury Policy. Council's use of funding mechanisms to fund capital development is set out in the Funding of Capital Expenditure section of this policy.

**(h) Proceeds from Asset Sales**

Funds from any asset sales are applied first to offset borrowing in the relevant activity from which the asset was sold and secondly for repayment of existing term debt (Treasury Policy).

**(i) Development Contributions**

Population trends show that there is no demand on infrastructure created by growth at the present time. Council has resolved to reconsider the applicability of a Development Contributions Policy as part the review of the District Plan.

(j) **Grants and Subsidies**

Council receives a subsidy from New Zealand Transport Agency to part-fund operations, renewal, and capital development in provision of roads and footpaths.

Council pursues other Grant and Subsidy funding available from Central Government wherever it is considered appropriate.

**4.9 Definition of SUIP**

- 4.9.1 For the purposes of the Revenue and Financing Policy, the definition of SUIP / separately used or inhabited part of a rating unit shall be as set out in the Council's Funding Impact Statement.

## 5.0 ANALYSIS OF ACTIVITIES AND FUNDING CONCLUSIONS

Council's functions are arranged under ten Groups of Activities. These ten Groups of Activities are further organised under three main "Sustainability Groups".

SUSTAINABILITY GROUPS		
Community and Cultural Sustainability	Environmental Sustainability	Economic Sustainability
Governance: Leadership and Investments	Solid Waste Management	Water Supply
Community Service	Stormwater Drainage	Provision of Roads and Footpaths
Community Development	Resource Management	
Regulation	Sewerage and Treatment and Disposal of Sewage	

### 5.1 Summary of Funding Sources

The table below summarises the funding sources to be used for different activities.

Activity	Fees and Charges	Grants and Subsidies	General Rate (GR)	UAGC	Targeted Fixed Rate (TFR)	Targeted Rate (TR)	Rate Type	Assessment basis: Capital Value (CV)/Rating Unit/SUIP
<b>Governance: Leadership and Investments</b>								
<b>Leadership</b>								
Representation			50%	50%			GR	CV
							UAGC	SUIP
Planning & Policy & Monitoring			50%	50%			GR	CV
							UAGC	SUIP
District and Urban Development			50%	50%			GR	CV
							UAGC	SUIP
<b>Investments</b>								
Local Authority Shared Services			50%	50%			GR	CV
							UAGC	SUIP
Inframax Construction Limited			50%	50%			GR	CV
							UAGC	SUIP

Activity	Fees and Charges	Grants and Subsidies	General Rate (GR)	UAGC	Targeted Fixed Rate (TFR)	Targeted Rate (TR)	Rate Type	Assessment basis: Capital Value (CV)/Rating Unit/SUIP
Council Owned Quarries	100%							
Forestry (located at Waitomo District Landfill)			100%				GR	CV
Parkside Subdivision	20%		40%	40%			GR	CV
							UAGC	SUIP
<b>Community Development</b>								
Community Support			48%	48%	4%		GR	CV
							UAGC	SUIP
							TFR (Piopio Retirement Village)	Rating Unit – within Piopio Township and the Piopio Wider Benefit Rating Area
District Development			60%			20% Commercial and Industrial Businesses 20% Rural Businesses	TR	CV
Agencies / Automobile Association	70%			30%			UAGC	SUIP
<b>Regulation</b>								
Environmental Health	60%		20%	20%			GR	CV
							UAGC	SUIP
Animal and Dog Control	80%		10%	10%			GR	CV
							UAGC	SUIP
Building Control Services	60%		40%				GR	CV
Alcohol Licensing	40%		30%	30%			GR	CV
							UAGC	SUIP

Activity	Fees and Charges	Grants and Subsidies	General Rate (GR)	UAGC	Targeted Fixed Rate (TFR)	Targeted Rate (TR)	Rate Type	Assessment basis: Capital Value (CV)/Rating Unit/SUIP
<b>Community Services</b>								
Parks and Reserves			50%	50%			GR	CV
							UAGC	SUIP
Leased Reserves	60%		20%	20%			GR	CV
							UAGC	SUIP
Elderly Persons Housing	60%		20%	20%			GR	CV
							UAGC	SUIP
Community Halls	3%		47.5%	47.5%	2%		TFR	SUIP - Marokopa Community Centre Rating Area
							GR	CV
							UAGC	SUIP
Other Land and Buildings	25%		37.5%	37.5%			GR	CV
							UAGC	SUIP
District Libraries	8%		22%	70%			GR	CV
							UAGC	SUIP
Aquatic Centre	10%		3.5%	3.5%	58% (Te Kuiti Urban and Periphery Rating Area) 25% (Rating Units in the district not in the Te Kuiti Urban and Periphery Rating Area)		TFR	SUIP
							GR	CV
							UAGC	SUIP
Arts Culture and Heritage	10%		45%	45%			GR	CV
							UAGC	SUIP
Aerodrome	40%		30%	30%			GR	CV
Cemeteries	40%		30%	30%			GR	CV
							UAGC	SUIP

Activity	Fees and Charges	Grants and Subsidies	General Rate (GR)	UAGC	Targeted Fixed Rate (TFR)	Targeted Rate (TR)	Rate Type	Assessment basis: Capital Value (CV)/Rating Unit/SUIP
Public Amenities			50%	50%			GR	CV
							UAGC	SUIP
Emergency Management			50%	50%			GR	CV
							UAGC	SUIP
Rural Fire			100%				GR	CV
<b>Environmental Sustainability</b>								
<b>Solid Waste Management</b>								
Kerbside Collection	45%				55%		TFR	SUIP
Kerbside Recycling					100%		TFR	SUIP
Landfill and Transfer Station Management	60%				40%		TFR	SUIP
Waste Minimisation		55%	22.5%	22.5%			GR	CV
							UAGC	SUIP
<b>Stormwater Drainage</b>								
Urban Stormwater Reticulation and Disposal					67% (urban areas)	33%	TFR	Rating Unit
							TR	CV
Rural Stormwater Reticulation and Disposal					100% (rural areas)		TFR	SUIP
<b>Resource Management</b>								
Resource Management	35%		32.5%	32.5%			GR	CV
							UAGC	SUIP

Activity	Fees and Charges	Grants and Subsidies	General Rate (GR)	UAGC	Targeted Fixed Rate (TFR)	Targeted Rate (TR)	Rate Type	Assessment basis: Capital Value (CV)/Rating Unit/SUIP
<b>Sewerage and Treatment and Disposal of Sewage</b>								
Te Kuiti Sewage Extraction, Treatment and Disposal	25%				75%		TFR	Residential properties per SUIP –connected/serviceable – Te Kuiti only
							TFR - Base charge	Non-residential Per SUIP
							TFR – Pan Charge	Non –Residential Per Pan
							TFR - Trade Waste Contribution	Rating Unit – District Wide
Te Waitere Sewage Extraction, Treatment and Disposal					100%		TFR – collection and disposal	SUIP – connected/serviceable – Te Waitere only
							TFR - Te Waitere subsidy	Rating Unit – District Wide
Benneydale Sewage Reticulation, Treatment & Disposal					100%		TFR – collection and disposal	SUIP – connected/serviceable – Benneydale only
							TFR - Benneydale subsidy	Rating Unit – District Wide
Piopio Sewage Extraction, Treatment and Disposal					100%		TFR – collection and disposal	SUIP – connected/serviceable – Piopio only
							TFR	Rating unit within Piopio Wider Benefit Rating Area

**Economic Sustainability**

Activity	Fees and Charges	Grants and Subsidies	General Rate (GR)	UAGC	Targeted Fixed Rate (TFR)	Targeted Rate (TR)	Rate Type	Assessment basis: Capital Value (CV)/Rating Unit/SUIP
<b>Water Supply</b>								
Te Kuiti Water Extraction, Treatment and Reticulation					75%	25%	TFR	SUIP –connected/serviceable – Te Kuiti only
							TR	Water meter / consumption
Mokau Water Extraction, Treatment and Reticulation					70%	30%	TFR	SUIP – connected/serviceable – Mokau only
							TR	Water meter / consumption
							TFR – Mokau subsidy	Rating Unit – District Wide
Piopio Water Extraction, Treatment and Reticulation					85%	15%	TFR	SUIP –connected/serviceable – Piopio only
							TR	Water meter / consumption
Benneydale Water Extraction, Treatment and Reticulation					55%	45%	TFR	SUIP – connected/serviceable – Benneydale only
							TR	Water meter / consumption
							TFR – Benneydale subsidy	Rating Unit – District Wide
<b>Provision of Roads and Footpaths</b>								
Subsidised Roding	2%	30%		1%		67%	TR	CV - Rating Unit
Unsubsidised Roding	25%				67% (Te Kuiti Urban and Periphery Rating Area) 8% (Rating Units in the district not in the Te Kuiti Urban and Periphery Rating Area)		TFR	SUIP

## 6.0 COMMUNITY AND CULTURAL SUSTAINABILITY

The Community and Cultural Sustainability area focuses 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.

The groups of Significant Activities contained within this area are:

- 6.1 Governance: Leadership and Investments
- 6.2 Community Development
- 6.3 Regulation
- 6.4 Community Service

### Governance: Leadership and Investments

#### 6.1 LEADERSHIP

##### 6.1.1 Description

The Leadership Activity provides for:

- Council's governance at District level.
- Conduct of elections.
- Council's advocacy on issues that impact on the Waitomo District's community outcomes.
- Planning and policy development that provides a framework for the Community's strategic direction.
- Monitoring and Reporting.

This Activity includes the preparation of policies guiding strategic direction and strategic financial decisions for presentation to the Community for feedback.

##### 6.1.2 Functions

There are three functions under this activity –

- 1) Representation
- 2) Planning & Policy & Monitoring
- 3) District and Urban Development

##### 6.1.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
CO1	A place where the multicultural values of all its people and, in particular, Maori heritage and culture is recognised and valued.
	<b>Thriving Business</b>
CO6	A place that attracts more people who want to live, work and play, and raise a family.
CO7	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.
CO9	A place where the governance actively seeks to participate and take a leadership role in regional and national initiatives aimed at the development of the District.

##### 6.1.4 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- a). More transparent disclosure and accountability of projects and funding to the Waitomo District.
- b). Greater opportunity for the Waitomo District to have input on decisions, proposals, issues and other matters through consultation.
- c). Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- d). Improved monitoring in terms of how well Council is achieving its COs annually.
- e). Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

### 6.1.5 Activity analysis and funding mechanisms

#### 6.1.6 Representation

This function involves the provision of leadership and governance of the District and includes the Mayor's Office and Council's governance, including committees.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	50%	General Rate
		50%	UAGC

##### 6.1.6a Distribution of Benefits

District Benefit: The benefit of the Representation activity is considered to be District wide in nature as the benefits of good governance and representation benefit the District as a whole.

##### 6.1.6b Funding Mechanism

District Allocation: It is proposed that the most appropriate method of funding this activity is 50:50 between the UAGC and General Rate (GR). While the fairest method would be to fund this activity by UAGC, a combination of UAGC and General Rate is considered most appropriate, given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

#### 6.1.7 Planning and Policy and Monitoring

This function includes:

- Carrying out long-term and annual planning for the District and producing plans which reflect the outcomes desired by the community.
- Communicating and consulting with the community on projects, issues and various planning documents, as well as surveys to gauge community satisfaction with services provided.
- Development of policy to promote community outcomes at a local level, and to influence policy at a regional or national level.
- Monitoring the achievement of the levels of service.
- Preparation of Council's Annual Report comprising public information on achievement against the financial and key performance targets of the previous year.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	50%	General Rate
		50%	UAGC

##### 6.1.7a Distribution of Benefits

District Benefit: The benefit of this activity is considered to be District wide in nature as the benefits of effective planning and policy development and the monitoring of Council activities and performance is of benefit to the entire District.

##### 6.1.7b Funding Mechanism

District Allocation: It is proposed that the most appropriate method of funding this activity is 50:50 between the UAGC and General Rate (GR). While the fairest method would be to fund this activity by UAGC, a combination of UAGC and General Rate is considered most appropriate, given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

#### 6.1.8 District and Urban Development Planning

Involves the planning and strategy development around urban and District development with a view to promoting the principles of sustainable development.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	80%	50%	General Rate
		50%	UAGC
Regional Benefit	20%	0%	No Funding Mechanism

##### 6.1.8a Distribution of Benefits

District Benefit: District and Urban Development Planning benefits the wider District as a whole. Sustainable land use and growth planning seeks to uphold and protect outcomes that are important to the entire District. Every resident and

ratepayer within the Waitomo District has the opportunity to be involved in Council's District and Urban Development Planning processes.

Regional Benefit: There is an element of Regional Benefit to Council's District and Urban Development Planning function in that Regional outcomes and priorities can be advanced at a local level. Further, there is a requirement in law that Council's District Plan is aligned with the regional policy statement.

#### 6.1.8b Funding Mechanism

District Allocation: Given the District wide benefit associated with District and Urban Development Planning, a combination of General Rate and UAGC was resolved to be the most efficient, effective and transparent method for funding this allocation.

Regional Allocation: As there is no lawful funding mechanism available to Council to recover from this group of beneficiaries, Council resolved that the Regional Benefit be reallocated to District Benefit and funded by a combination of General Rate and UAGC.

### 6.1.9 Investments

#### 6.1.10 Description

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

#### 6.1.11 Functions

The functions comprising this activity are

1. Local Authority Shared Services (LASS)
2. Council Owned Quarries
3. Inframax Construction Limited
4. Forestry (located at Waitomo District Landfill)
5. Parkside Subdivision.

#### 6.1.12 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Thriving Business</b>
CO6	A place that attracts more people who want to live, work and play, and raise a family.
CO7	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.

#### 6.1.13 Period of Benefit (Intergenerational Equity)

The total expenditure and income of Investment Activities needs to be specified over the proposed investment period as part of intergenerational funding decisions.

#### 6.1.14 Costs and Benefits

The merit of identifying and accounting for this Activity separately from other Activities enables:

- More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- Identification of costs required to support the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

### 6.1.15 Activity Analysis and Funding Mechanisms

#### 6.1.16 Investment in Local Authority Shared Services (LASS)

This function represents Council's shareholding/investment in Local Authority Shared Services (LASS). The principle objective for the company is to provide the most effective access to regional information of mutual value to the regional community using modern technology and processes and to be an umbrella for future development of shared services within the region.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	80%	50%	General Rate
		50%	UAGC
National Benefit	20%	0%	No funding mechanism

#### 6.1.16a Distribution of Benefits

District Benefit: LASS are assessed to have a District wide benefit as they are either made to generate income or to explore opportunities for cost reduction/efficiencies, which are used for the benefit of the entire District, or Council is involved in them for a strategic reason which again is for the benefit of the District as a whole.

National Benefit: Gaining the most effective access to regional information and services of mutual value to the regional community is seen as having national benefit.

#### 6.1.16b Funding

District Allocation: The fairest method of funding this investment would be by way of UAGC. However, due to the 30% UAGC 'cap' and rates affordability issues, Council resolved a combination of General Rate and UAGC to be the most efficient, effective and transparently lawful funding mechanism for this allocation.

National Allocation: As there is no lawful funding mechanism available to Council to recover from this group of beneficiaries Council resolved that the National Benefit be reallocated to District Benefit and funded by a combination of General Rate and UAGC.

### 6.1.17 Investment in Inframax Construction Ltd (ICL)

This function represents Council's investment in Inframax Construction Ltd (ICL). ICL is a provider of roading construction and maintenance and other civil engineering infrastructural services.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	50%	General Rate
		50%	UAGC
		0%	Dividend or Subvention Income

#### 6.1.17a Distribution of Benefits

District Benefit: ICL is assessed to have District wide benefit as it exists to give effect to social and economic outcomes that benefit the entire District. Council's investment in ICL is considered to be strategic in nature and for the benefit of the wider District as a whole.

#### 6.1.17b Funding

Investment Income: Council resolved that as this investment has been entered into for social and economic purposes it would be equitable to fund the cost of this activity through Investment Income (i.e. dividend and/or subventions), when available.

Any surplus generated through this investment will be used to accelerate the repayment of term debt which benefits the wider community by enhancing the financial sustainability of the Waitomo District Council.

District Allocation: Any deficit resulting from Council's investment in ICL will be funded by way of a combination of General Rate and UAGC which reflects the public good associated with the investment. This is considered to be the most efficient, effective and transparent method for funding this allocation.

### 6.1.18 Council Owned Quarries

This function involves the maintenance and management of Council owned quarries.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	100%	Investment Income

#### 6.1.18a Distribution of Benefits

District Benefit: Council owned quarries are assessed to have District wide benefit as they exist to give effect to social and economic outcomes for the benefit of the entire District. Council's investment in quarries is considered to be strategic in nature and for the benefit of the wider District as a whole.

## 6.1.18b Funding

Investment Income: Council resolved that as this investment has been entered into for social and economic purposes it would be most equitable to fund this activity through investment income (e.g. metal royalties/leases). Any net surplus income generated through this investment will be used to offset rates income collected from the entire District.

District Allocation: Any deficit resulting from Council's investment in Quarries will be funded from the General Rate which reflects the public good associated with the investment. This is considered to be the most efficient, effective and transparent method for funding this allocation.

**6.1.19 Forestry located at Waitomo District Landfill**

This function involves the maintenance and management of forestry located at Waitomo District Landfill.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	100%	General Rate

## 6.1.19a Distribution of Benefits

District Benefit: The forestry plantation at Waitomo District Landfill is assessed to have District wide benefit as it exists to generate income which is used for the benefit of the entire District. Council's investment in forestry is considered to be strategic in nature and for the benefit of the wider District as a whole.

## 6.1.19b Funding

Investment Income: Council resolved that the income generated from this investment depends upon harvest plans and maturity and hence will be intergenerational and therefore it would be most appropriate and transparently lawful to fund this allocation through General Rate.

**6.1.20 Parkside Subdivision**

This function represents Council's investment in Parkside Subdivision. If people are to live and work in Waitomo they must have choice of housing value, style and location. Parkside subdivision is an investment by WDC to provide quality sections within the township of Te Kuiti. The subdivision at time of purchase involved 32 sections for resale.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	40%	General Rate
		40%	UAGC
		20%	Sale of Sections

## 6.1.20a Distribution of Benefits

District Benefit: The Parkside Subdivision is assessed to have District wide benefit as it exists to generate income which is used for the benefit of the entire District. Council's investment in Parkside is considered to be strategic in nature and for the benefit of the wider District as a whole.

## 6.1.20b Funding

Investment Income: Council resolved that the income generated from this investment depends upon sales of residential sections and therefore it would be most appropriate and transparently lawful to fund this allocation through Investment income as and when sections are sold.

District Allocation: Council resolved that any shortfall and interim holding costs will be funded by way of a combination of General Rate and UAGC which reflects the public good associated with the investment. This is considered to be the most efficient, effective and transparent method for funding this allocation.

**6.2 COMMUNITY DEVELOPMENT**

## 6.2.1 Description

The Community Development Activity is a group of activities where the Council, in a number of diverse roles, is actively involved in 'helping the community to help itself'. Community Development activities represent a group of collaborative and partnership approaches and initiatives involving many agencies and organisations. These activities involve a common theme of promoting a better quality of life and a better living environment within the District.

## 6.2.2 Functions

There are three functions under this significant activity:

- 1) Community Support
- 2) District Development
- 3) Agencies (Automobile Association)

## 6.2.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

<b>Vibrant Communities</b>	
CO1	A place where the multicultural values of all its people and, in particular, Maori heritage and culture is recognised and valued.
CO2	A place where all age groups have the opportunity to enjoy social, cultural and sporting activities within our District
CO3	A place where young people have access to education, training and work opportunities.
CO4	A place where young people feel valued and have opportunities for input into the decisions for the District.
CO5	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
<b>Thriving Business</b>	
CO6	A place that attracts more people who want to live, work and play, and raise a family.
CO7	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.
<b>Effective Leadership</b>	
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.

## 6.2.4 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

## 6.2.5 Activity Analysis and Funding Mechanisms

## 6.2.6 Community Support

As part of this function Council seeks to improve social outcomes within Waitomo District by working closely with the District community. It includes making grants to the community, provision of service contracts, Council's Sister City relationship and Youth Initiatives.

<b>Attributable Benefit</b>		<b>Funding</b>	
Benefit Group	% of Benefit	%	Method
District Benefit	96%	48%	UAGC
		48%	General Rate
Community Benefit	4%	4% (approx)	Targeted Fixed Rate

## 6.2.6a Distribution of Benefits

**District Benefit:** The benefit of this activity is considered to be District wide in nature as the benefits of the activity of supporting the community by working to create a better quality of life is beneficial to the entire District.

**Community Benefit:** A small element of this activity benefits the Piopio Community specifically via support to the Piopio retirement village. The wider Piopio community consider the Piopio retirement village is an asset that should be retained.

## 6.2.6b Funding

**District Allocation:** It is considered that the most appropriate method of funding this activity is 50:50 between the UAGC and General Rate (GR). The Community Support activity aims to develop a more liveable and vibrant district which can have an effect on the prosperity of the entire District.

**Community Allocation:** In recognition of the unique situation that exists with Piopio Retirement Village and of the invaluable role it plays within the Piopio Community, both now and in the future, the Piopio Retirement Village will receive an annual rates remission as determined by Council's Rates Remission Policy, to support the Trust in the continued delivery of elderly housing accommodation services.

The amount determined as the annual rates remission for the Piopio Retirement Village will be separately funded by way of a Targeted Fixed Rate assessed on all rateable units situated within the Piopio Township and the Piopio Wider Benefit Rating Area.

### 6.2.7 District Development

This function encompasses four activities that serve to attract visitors to the District and contribute over time to the overall development of the District.

- 1) **Economic Development** - This function involves the development, support and promotion of business-related programmes and activities and new employment initiatives within the District. It also involves the maintenance of a high quality environment, input into the urban infrastructure, the need to recognise the importance of international relationships and the tourism industry and utilisation of the landscape and culture of the Waitomo District.
- 2) **Visitor Information Centres** - The Information Centre in Te Kuiti acts as a central repository of tourism related information of the District. Tourism is facilitated through the provision of this service.
- 3) **District and Regional Promotion** - This activity involves regional tourism growth at both domestic and international levels, using Waikato regional branding rather than individual District brands. It also involves coordinating local tourism products and experiences using the regional approach in partnership with Tourism NZ and other tourist organisations.
- 4) **Event Coordination** - Co-ordination of major events in the District, including the Great NZ Muster and the Christmas Parade.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	10%	0%	No funding mechanism
District Benefit	80%		General Rate
Community Benefit	10%	60%	Commercial and Industrial Businesses (Targeted Capital Value Rate)
		20%	
		20%	

#### 6.2.7a Distribution of Benefits

**National Benefit:** There is an element of national and regional benefit that results from attracting visitors to the District. New Zealand as a whole and particularly the region will benefit from services and events which attract overseas and local visitors. Increased visitor numbers to Waitomo District will have flow on effects for our neighbours and help in promoting other neighbouring Districts as well.

**District Benefit:** The Visitor Industry is considered to have a District wide benefit as the activity gives effect to the economic development and employment within the District as a whole. There are numerous examples that demonstrate tourism can contribute immensely to the whole economy in terms of increased employment, revenue generation and the like and that benefit will accrue to the overall District.

**Community Benefit:** The Visitor Industry provides a high degree of benefit to communities that provide meals, entertainment and accommodation.

#### 6.2.7b Funding

**National/Regional Allocation:** Council resolved that this allocation should be funded through Grants when available.

**District/Community Allocation:** Council considered that the overall District benefits to an extent from District Development Activities but also that specific beneficiaries can be identified (businesses) and therefore resolved a targeted District Development rate is the most efficient, effective and transparent method for funding this allocation. Council resolved that funding should be a rate per \$100 of capital value apportioned on the basis of 60% General rate, 20% Commercial and industrial businesses (categorised as Commercial, Industrial and Utilities in the Rating Information Database) and 20% Rural Businesses (categorised as Dairy, Pastoral, Specialist, Forestry, Minerals and Horticulture in the Rating Information Database).

### 6.2.8 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 Council currently acts as an agency for the Automobile Association (AA), including provision of driver licensing services.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
Regional Benefit	5%	0%	No funding mechanism
District Benefit	15%	0%	General Rate
		30%	UAGC
User Benefit	80%	70%	Fees and Charges

#### 6.2.8a Distribution of Benefits

Regional Benefit: Having an AA agency in Te Kuiti is considered to have a degree of regional benefit as the services of the agency are availed by residents of neighbouring Districts as well.

District Benefit: Though it is primarily the users of this service that benefit from it, there is also an element of District wide benefit in that anyone within and around the District requiring the service has easy access to it.

User Benefit: Users of the agency are the direct beneficiaries of the service.

#### 6.2.8b Funding

Regional Benefit: No lawful funding mechanism is available for this allocation. Council resolved that it be reallocated to District Allocation.

District Allocation: Council considers this service to be of equal District wide benefit and a UAGC was resolved to be the most efficient, effective and transparent method for funding this allocation.

Fees and Charges: Council resolved that user fees and charges would be the most efficient, effective and transparently lawful available method for funding this allocation. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges due to the set nature of these fees, therefore Council resolved to partly fund this benefit through UAGC.

### 6.3 REGULATION

#### 6.3.1 Description

The Regulation 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.

#### 6.3.2 Functions

The functions under this activity are:

- 1) Environmental Health
- 2) Animal and Dog Control
- 3) Alcohol Licensing
- 4) Building Control.

#### 6.3.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Thriving Business</b>
CO6	A place that attracts more people who want to live, work and play, and raise a family.
CO7	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued

#### 6.3.4 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- (a) More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- (b) Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- (c) Identification of how the Activity contributes to the achievement of Community Outcomes and service delivery goals through detailed understanding and planning.
- (d) Improved monitoring of the Activity in terms of how well Council is achieving its Community Outcomes annually.
- (e) Identification of costs required to support the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

#### 6.3.5 Activity Analysis and Funding Mechanisms

### 6.3.6 Environmental Health

The provision of environmental health services, including licencing and inspection of food premises and noise control. The Council has specific statutory responsibilities under each of these functions.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	50%	20%	General Rate
		20%	UAGC
User/Applicant Benefit	40%	60%	Fees and Charges
Exacerbator	10%		

#### 6.3.6a Distribution of Benefits

**District Benefit:** Environmental Health delivers District benefits by ensuring minimum health standards, such as premises are licensed and safe, healthy and hygienic for the public to use, and providing general advice and education. Noise control services provided also contribute to healthy living. The investigation and notification of incidents of communicable diseases also provides benefit to the entire District.

**User/Applicant Benefit:** Individuals and organisations applying for a licence to operate under specific regulations nationally and within the District and those requiring advice about the regulations are direct beneficiaries of this service.

**Exacerbator/Offender:** These are the costs incurred in responding to the actions of offenders. This includes costs associated with investigating complaints, non-compliance with licenses and regulations and prosecution of offenders.

#### 6.3.6b Funding

**User Allocation:** Council resolved user fees and charges to be the most efficient, effective and transparently lawful available method for funding this allocation.

**Exacerbator Allocation:** User fees and charges are considered to be the most efficient, effective and transparently lawful available method for funding the Exacerbator allocation.

**District Allocation:** Council is not able to recover all the costs of this activity from fees and charges. The most appropriate method of funding the remainder of this activity is considered to be 20% UAGC and 20% General Rate (GR).

### 6.3.7 Animal and Dog Control

Provision of an animal and dog control service for the District. This activity involves the registration of dogs as well as the prevention of harm to the community in cases of menacing or dangerous behaviour by dogs and dealing with roving stock.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District	20%	10%	General Rate
User/Applicant Benefit	70%	10%	UAGC
Exacerbator	10%	80%	Fees and Charges

#### 6.3.7a Distribution of Benefits

**District Benefit:** The District benefit is received from general advice given to the public, education and public safety. All residents have equal access to the use of the service.

**User/Applicant Benefit:** Individuals applying for and maintaining dog registration and receiving education are direct beneficiaries of this service. The allocation reflects the benefit to those individuals with animals.

**Exacerbators:** These are the costs incurred in responding to the actions of offenders. This includes costs associated with investigating complaints, impounding of stock and prosecution of offenders.

#### 6.3.7b Funding

**User Allocation:** Council resolved that user fees and charges would be the most efficient, effective and transparently lawful method available for funding this allocation.

**Exacerbator Allocation:** Council resolved that education and monitoring would be the most effective method to promote good animal management and control. Council also proposes that user fees and charges (in the form of infringements and penalties) would be the most efficient, effective and transparently lawful method available for funding this allocation.

District Allocation: Council considers that given there is some benefit to the entire district in the form of public safety, the most appropriate method of funding this allocation is through an equal split between General rate and UAGC.

### 6.3.8 Building Control Services

Provision of building control services, including issuing and monitoring of building consents.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	40%	General Rate
User/Applicant Benefit	75%	60%	Fees and Charges
Exacerbator	5%		

#### 6.3.8a Distribution of Benefits

**District Benefit:** The District benefit is received from general advice given to the public, education, and public safety. This activity is mandatory for Council and has a District benefit by ensuring minimum building standards are met and that buildings are safe for use. This activity is also driven by Central Government policies and there is increased focus at the national level around sustainable building development.

**Applicant Benefit:** Individuals and groups applying for a building consent, requiring building inspection, compliance certificates and advice, are the direct beneficiaries of this service.

**Exacerbator:** These are the costs incurred in responding to the actions of offenders. This includes costs associated with non-compliance with consents and Warrants of Fitness.

#### 6.3.8b Funding

**District Allocation:** Council resolved that the most efficient, effective and transparent method for funding this allocation would be General Rate since any investment in and development of the District will have more positive economic impact on larger property owners.

**User Allocation:** Council resolved that User Fees and Charges would be the most efficient, effective and transparently lawful available method for funding this allocation. However, since not all of the recovery of this benefit can be done through Fees and Charges which would make the fees too high and could potentially impact on development, Council resolved to partly fund this benefit through General Rate.

**Exacerbator Allocation:** Council resolved that User Fees and Charges would be the most efficient, effective and transparently lawful available method for funding this allocation.

### 6.3.9 Alcohol Licensing

The Alcohol Licensing function oversees the administration of the Sale and Supply of Alcohol Act 2012 at a local level acting as the District Licensing committee on behalf of the Alcohol Regulatory and Licensing Authority which encourages the responsible sale and use of alcohol through licensing, monitoring of premises and enforcement of the Act. It also involves ensuring bylaws are enforced and complied with for public safety and well-being.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	35%	30%	General Rate
		30%	UAGC
User/Applicant Benefit	35%	40%	Fees and Charges
Exacerbator	30%		

#### 6.3.9a Distribution of Benefits

**District Benefit:** This activity is assessed at having a medium level of District benefit which occurs from ensuring Licenses are complied with, sellers of alcohol have certain qualifications, etc, which contributes towards public safety and well-being. General advice and education is also provided.

**Applicant Benefit:** The user benefit for this service is high. Individuals and organisations applying for a licence to operate under specific regulations nationally and within the District and those requiring advice about the regulations are direct beneficiaries of this service.

**Exacerbators:** These are the costs incurred in responding to the actions of offenders. This includes costs associated with investigating complaints, non-compliance with licenses and regulations and prosecution of offenders.

## 6.3.9b Funding

Applicant Allocation: Council resolved user fees and charges to be the most equitable method for funding this portion of the benefit allocation. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as the fees are set by legislation and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

Offender Allocation: User fees and charges are considered to be the most efficient, effective and transparently lawful available method for funding the Exacerbator funding allocation for this activity.

District Allocation: Council resolved that the most efficient, effective and transparent method for funding this allocation would be 30% UAGC and 30% General Rate.

## 6.4 COMMUNITY SERVICES

### 6.4.1 Description

Council's Community Services activity provides recreation and community facilities with the aim of ensuring that basic ranges of 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.

This Activity also ensures that the Community has essential community facilities such as public toilets and cemeteries. These facilities are necessary to ensure that public health and safety is maintained.

Community safety is provided for by the Emergency Management and Rural Fires functions.

### 6.4.2 Functions

The functions comprising this activity are:

- 1) Parks and Reserves
- 2) Leased Reserves
- 3) Elder Persons Housing
- 4) Community Halls
- 5) Other Land and Buildings
- 7) District Aquatic Centre
- 8) Arts Culture and Heritage
- 9) Aerodrome
- 10) Cemeteries
- 11) Public Amenities
- 12) Emergency Management
- 13) Rural Fire.

### 6.4.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
CO1	A place where the multicultural values of all its people and, in particular, Maori heritage and culture is recognised and valued.
CO2	A place where all age groups have the opportunity to enjoy social, cultural and sporting activities within our District.
CO3	A place where young people have access to education, training and work opportunities.
CO4	A place where young people feel valued and have opportunities for input into the decisions for the District.
CO5	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
	<b>Thriving Business</b>
CO6	A place that attracts more people who want to live, work and play, and raise a family.
CO7	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.
	<b>Sustainable Infrastructure</b>
CO10	A place that provides safe, reliable and well managed infrastructure which meets the District community needs and supports maintenance of public health, provision of good connectivity and development of the District.

### 6.4.4 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- (a) More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- (b) Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- (c) Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- (d) Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- (e) Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

#### 6.4.5 Activity Analysis and Funding Mechanisms

#### 6.4.6 Parks and Reserves

This function involves the provision of parks and reserves in order to support the health and well-being of the community by supplying and maintaining areas for sport and recreation, as well as green places and landscapes that are restful and enhance the visual amenity. This function includes: active reserves, passive reserves, esplanade reserves and play equipment.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	50%	General Rate
		50%	UAGC

##### 6.4.6a Distribution of Benefits

District Benefit: The benefit of this activity is considered to be District wide in nature as the benefits of providing recreational spaces and facilities for the community is of benefit to the entire District.

##### 6.4.6b Funding

District Allocation: The most appropriate method of funding this activity is 50:50 between the UAGC and General Rate given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

#### 6.4.7 Leased Reserves

This function involves the management and maintenance of land held, though not currently used by Council as reserves, but is land-banked for future recreational purposes should the need arise.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	40%	20%	General Rate
		20%	UAGC
User Benefit	60%	60%	Fees and Charges

##### 6.4.7a Distribution of Benefits

District Benefit: There is a small element of District wide benefit in the provision of leased reserves in that they are still available to be used by the general public or a group, if required.

User Benefit: The Lessee of the land is the user and hence the direct beneficiary of the service.

##### 6.4.7b Funding

District Allocation: Council resolved that a combination of General Rate and UAGC would be the most effective and transparent method of funding this allocation.

User Allocation: Council resolved user Fees and Charges to be the most appropriate method for funding this allocation.

#### 6.4.8 Elderly Persons Housing

This function involves the provision of affordable housing for the elderly. There are currently 20 pensioner units owned by Council. This function also involves maintenance of these units.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	5%	20%	General Rate
		20%	UAGC
User Benefit	95%	60%	Fees and Charges

##### 6.4.8a Distribution of Benefits

District Benefit: Provision and maintenance of housing for the elderly provides a level of District wide benefit as it provides for the current and future social well-being of the District.

User Benefit: This service has a high degree of private benefit. The direct beneficiaries of Elder Persons Housing are the occupants, and the family and friends of the occupants.

#### 6.4.8b Funding

District Allocation: Due to the public nature of the benefit derived, Council resolved that a combination of General Rate and UAGC would be the most effective and transparent method of funding this allocation.

User Allocation: Council resolved Fees and Charges to be the most appropriate funding tool for this allocation as the users (tenants) are easily identifiable and excludable and the user charges can be easily administered. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

#### 6.4.9 Community Halls

This function involves the provision and maintenance of halls through the support of Hall Committees throughout the District.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	47.5%	General Rate
		47.5%	UAGC
		2%	TFR
User Benefit	0%	3%	Fees and Charges

#### 6.4.9a Distribution of Benefits

District Benefit: Provision of Community halls is assessed to provide benefit to the wider District as a whole as any member of the District can use the halls directly or as guests for functions, etc. Halls serve as places for meetings or functions, particularly where other options are unavailable.

#### 6.4.9b Funding

District Allocation: Given the element of general public benefit associated with this activity, the Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

Council recognised that most community halls are operated and maintained by the different communities themselves and Council's expenditure on the activity was in the form of grants provided to the various hall committees towards operating costs.

In the case of Council assistance given for the development of Marokopa Community Hall, the same will be recovered over time as a Targeted Fixed Rate assessed on every SUIP within the Marokopa Community Centre Rating Area.

A small percentage of funding for this activity comes from fees and charges for hall hire to the community.

#### 6.4.10 Other Land and Buildings

This function involves the maintenance and management of other miscellaneous Council owned properties (including two camping grounds).

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	30%	37.5%	General Rate
		37.5%	UAGC
User Benefit	70%	25%	Fees and Charges

#### 6.4.10a Distribution of Benefits

District Benefit: This activity is assessed to have a degree of District wide benefit as these land and buildings are retained and maintained by Council either with strategic intent or as investments which provide benefit to the District as a whole.

User Benefits: Lessees of these properties are the direct beneficiaries of the service. They are identifiable and excludable.

## 6.4.10b Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved Fees and Charges to be the most efficient and transparently lawful method of funding this allocation. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

## 6.4.11 District Libraries

This function involves the provision of library services to support culture, education, economic and personal development in the District. The main library is located at Te Kuiti with mobile services to Mokau and Piopio.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	22%	General Rate
		70%	UAGC
User Benefit	80%	8%	Fees and Charges

## 6.4.11a Distribution of Benefits

District Benefit: District libraries provide a degree of benefit to the wider District as a whole which relates to enhancing the knowledge and skills of the population and provides enjoyment. Benefits also include the promotion of knowledge building, social interaction and the provision of services to people with special needs (e.g. the visually impaired and people with disabilities).

User Benefit: Borrowers, information seekers and users of other library services are direct beneficiaries of the service.

## 6.4.11b Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved that although the user benefit for this service is high, funding this allocation totally through Fees and Charges would be detrimental to usage as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC. Since libraries provide intangible benefits of promoting social and cultural development of the general population and also contribute to increasing literacy, it would be to the advantage of the District to promote their usage. It was resolved that 10% of the user benefit allocation be funded through Fees and Charges and the remaining be reallocated to District allocation.

## 6.4.12 District Aquatic Centre

This function involves the provision and maintenance of the Waitomo District Aquatic Centre for leisure and competitive recreation opportunities for the community. Council's current aquatic asset is the public swimming pool in Te Kuiti.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	10%	3.5%	General Rate
		3.5%	UAGC
Community Benefit	70%	58%	TFR (Te Kuiti Urban and Periphery Rating Area)
		25%	TFR (Rating Units in the district not in the Te Kuiti Urban and Periphery Rating Area)
User Benefit	20%	10%	Fees and Charges

## 6.4.12a Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that anyone wanting to use the facility has access to it. It is a facility that can be used by all and provides for the leisure, training or health needs of the entire District.

Community Benefit: Aquatic Centres have a comparatively high degree of community benefit. It is assessed that people who live within the Community will benefit more than those who have to travel a longer distance to use the facility.

User Benefit: Individual users, clubs and schools are direct beneficiaries of the service.

## 6.4.12b Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

Community Allocation: Council discussed that a large proportion of the benefit of this service lay in the urban area and resolved that the activity be funded through a Targeted Fixed Rate differentiated by rating area (Te Kuiti Urban and Periphery Rating Area/Rating units in the district not in the Te Kuiti Urban and Periphery Rating Area) assessed per SUIP.

User Allocation: Council discussed that although the user benefit of this service is high, not all of the recovery of this benefit can be done through Fees and Charges as charging higher for the use of the pool would be detrimental to its usage. It would also impact on the purpose of promoting a healthy community and hence it was resolved that part of this allocation be transferred to Community Allocation.

## 6.4.13 Arts, Culture and Heritage

This function involves the maintenance and management of Culture and Heritage Buildings in the District including the Cultural and Arts Centre and Piopio Museum Buildings.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National/Regional Benefit	10%	0%	No funding mechanism
District Benefit	80%	45%	General Rate
		45%	UAGC
User Benefit	10%	10%	Fees and Charges

## 6.4.13a Distribution of Benefits

National/Regional Benefit: Preserving arts, culture and heritage have a small national benefit as they add benefit to the nation as a whole through stimulating preservation of local knowledge and history. They also help to add tourism value to the District.

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that it contributes to the cultural well-being of the District as a whole. The facilities can also be enjoyed by all.

User Benefit: Individual users are direct beneficiaries of the service.

## 6.4.13b Funding

National Allocation: A lawful funding method for this allocation is not available. Council resolved that this allocation be transferred to District Allocation.

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved user Fees and Charges to be the most appropriate funding tool for this allocation.

## 6.4.14 Aerodrome

This function involves the 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.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	30%	General Rate
		30%	UAGC
User Benefit	80%	40%	Fees and Charges

## 6.4.14a Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that it provides a facility that contributes to the District economy through commercial use.

User Benefit: Individual users, clubs and commercial users are direct beneficiaries of the service.

## 6.4.14b Funding

District Allocation: Council resolved General Rate and UAGC to be the most efficient, effective and transparent method to fund this allocation.

User Allocation: Council resolved that user Fees and Charges would be the most appropriate funding tool for this allocation. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

#### 6.4.15 Public Amenities

This function involves the provision of:

- Public toilet facilities in the District to ensure visitors and residents have access to safe, clean and sanitary facilities.
- Street furniture, bins and other structures to visually enhance the town's environment and provide facilities for people to relax and enjoy the environment.
- Car park areas to ensure residents and visitors to the District can access conveniently located off street parking in our towns.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	75%	50%	General Rate
		50%	UAGC
User Benefit	20%	0%	Fees and Charges
Exacerbator	5%		

##### 6.4.15a Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that all people from within and outside the District have the ability to come and use public toilets, car park facilities and benefit from the provision of street furniture, bins and the like.

User Benefit: Individual users are the direct beneficiaries of the service. These can be visitors, as well as people from within the District.

Exacerbator: These are costs associated with responding to offenders (vandals).

##### 6.4.15b Funding

District Allocation: A combination of UAGC and General Rate is considered the most appropriate method of funding this activity.

Exacerbator: Council resolved that as it is usually hard to identify or inefficient to prosecute offenders this allocation be transferred to District Allocation.

User Benefit: Council agreed that although users are the direct beneficiaries of this service it would not levy fees and charges given the public health benefits of this service and the benefits to visitors of our district this service provides. Therefore, the user benefit allocation is transferred to District Allocation.

#### 6.4.16 Cemeteries

This function involves the provision and maintenance of cemeteries in the District as required under the provisions of the Burials and Cremations Act 1964.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	10%	30%	General Rate
		30%	UAGC
Community Benefit	30%	40%	Fees and Charges
User Benefit	60%		

##### 6.5.16a Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole. District benefit results from the promotion of public health and sanitary disposal of the deceased. It also contributes to the cultural well-being of all people in the District.

Community Benefit: Cemeteries have a small degree of community benefit. The Community benefit results from the promotion of public health and sanitary disposal of the deceased. It is also assessed that those people who live within the Community will utilise the cemetery more than those outside the Community.

User Benefit: Families and friends of the deceased are direct beneficiaries of the service.

##### 6.4.16b Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

Community Allocation: It was resolved that this allocation be reallocated to District Allocation as it was difficult to draw boundaries around the area serviced by a cemetery. Also, allocating the exact users of the cemeteries on a per community basis would be fraught with difficulties.

User Allocation: Council resolved user Fees and Charges to be the most efficient, effective and transparently lawful available method to fund this allocation. However, as it is difficult to accurately predict the fees and charges that will be generated from this activity and it can vary quite a bit from year to year, it was resolved that 20% be reallocated to District Allocation.

#### 6.4.17 Emergency Management

Provision of emergency response capability, includes public education and administering the Civil Defence Emergency Management Act 2002.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National and Regional Benefit	10%	0%	Government Subsidy
District Benefit	90%	50%	UAGC
		50%	General Rate

##### 6.4.17a Distribution of Benefits

National Benefit: Emergency Management has been assessed to have a certain element of National and Regional benefit, in that this service provides safety and general well-being to the national public under a national civil defence and emergency management network. By way of example, any significant natural disaster has the potential to disrupt state highways and the rail system which might affect the Country as a whole.

District Benefit: Civil Defence is considered to have a high District benefit. The benefit of this function is for the safety and well-being of all people within the District.

##### 6.4.17b Funding

National Allocation: Council considers that given the element of national benefit provided by the service, Central Government subsidy would be the most efficient and effective method of funding this allocation. However Central Government subsidies are no longer available so it was resolved that this allocation be re-allocated to District Benefit.

District Allocation: A combination of UAGC and General Rate is the most appropriate method of funding this activity given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of this activity.

#### 6.4.18 Rural Fire

Provision of rural fire fighting capability and support of Tainui Rural Fire Party.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	40%	100%	General Rate
User/Applicant Benefit	50%		
Exacerbator	10%		

##### 6.4.18a Distribution of Benefits

District Benefit: The Rural Fire Service has a medium degree of public benefit in that it provides security to the entire population that the District has emergency preparedness plans in place for rural fire. Also, the District benefit accrues from the fact that any escalated rural fire not contained, can cause widespread damage to forestry or farms which will have a negative economic impact on the District as a whole.

User Benefit: With regard to Rural Fire Services, both public and private rural property owners can be identified as the users and hence beneficiaries of this service. This benefit accruing to rural property owners is assessed as high because Rural Fire service is offered to all properties excluding those in urban areas, and they gain benefit through the use of Council's resources and training.

Exacerbator: The offender for Rural Fire is the fire starter.

##### 6.4.18b Funding

District Allocation: Council resolved General Rate to be the most equitable, efficient and transparent method of funding this allocation. This service is provided in the rural area but it does mitigate the negative impacts of a rural fire on the whole District.

User Benefit Allocation: Council resolved that this portion of benefit be reallocated to District Allocation, because although the user benefit level for this service is assessed as high and the users can be identified as a particular group and Targeted Rate would be the most equitable method for funding this portion of the benefit, it would not be efficient or cost effective to set a separate rate for this service.

Exacerbator Allocation: It is usually not practicable or possible to identify or prosecute the offender or starter of a fire (it could be natural causes) and so it would not be effective or efficient to separately fund this part of this function. Council resolved that it be reallocated to District Allocation and be funded through General Rate.

## 7.0 ENVIRONMENTAL SUSTAINABILITY

The Environmental Sustainability area works towards promoting and ensuring that the environment is sustainably managed.

The groups of activities contained within this area are:

- Solid Waste Management
- Stormwater Drainage
- Resource Management
- Sewerage and treatment and disposal of Sewage.

### 7.1 SOLID WASTE MANAGEMENT

#### 7.1.1 Description

The Solid Waste Activity manages the refuse collection, 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 District Landfill in Te Kuiti.

The Solid Waste Activity is made up of two sub activities:

- 1) Collection which includes Kerbside Collection and Recycling; and
- 2) Management which includes Landfill Management and Waste Minimisation.

People generate un-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 health and environmental concerns.

#### 7.1.2 Functions

The functions comprising this activity are:

- 1) Kerbside Collection
- 2) Landfill and Transfer Stations Management
- 3) Kerbside Recycling
- 4) Waste Minimisation.

#### 7.1.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
CO5	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.
	<b>Sustainable Infrastructure</b>
CO10	A place that provides safe, reliable and well managed infrastructure which meets the District community needs and supports maintenance of public health, provision of good connectivity and development of the District.

#### 7.1.4 Period Of Benefit (Intergenerational Equity)

Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

#### 7.1.5 Costs and Benefits

The merit of identifying and accounting for this Activity separately from other Activities enables:

- (a) More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- (b) Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- (c) Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- (d) Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- (e) Identification of costs required to support the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

## 7.1.6 Activity Analysis and Funding Mechanisms

### 7.1.7 Kerbside Collection

This function involves the provision of kerbside collection service to residents of Te Kuiti, Piopio, Awakino, Mokau and Waitomo ward and Village area.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
Community/User Benefit	100%	45%	Fees and Charges
		55%	TFR Per community where service is provided.

#### 7.1.7a Distribution of Benefits

Community Benefit/User: Communities that are provided with kerbside collection service are the beneficiaries of this service.

#### 7.1.7b Funding

Community Allocation/User Allocation: As users can be identified as a particular group (communities that are provided with the service) and also individuals that will benefit from the service, Council resolved that Fees and Charges and a Targeted Fixed Rate per separately used or inhabited part of a rating unit differentiated by Community receiving the service would be the most effective, efficient and transparent method for funding this allocation. Fees and charges are resolved upon in order to meet the Waste Minimisation objectives in the Solid Waste Management and Minimisation Plan.

The utilisation of fees and charges (including the cost of solid waste disposal in the cost of the rubbish bag) will ensure that the true cost of collection and disposal is reflected in the right place and paid for by the beneficiary. Reflecting the true cost of disposal in the price of a rubbish bag is also expected to encourage waste minimisation.

### 7.1.8 Kerbside Recycling

This function involves the provision of kerbside recycling service to residents of Te Kuiti, Piopio, Awakino, Mokau and Waitomo ward and Village area.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
Community/User Benefit	100%	100%	TFR Per community where service is provided.

#### 7.1.8a Distribution of Benefits

Community/User Benefit: Communities that are provided with kerbside recycling are considered to be the beneficiaries of this service.

#### 7.1.8b Funding

Community Allocation/User Allocation: Since users can be identified as a particular group (communities that are provided with the service) Council resolved that a Targeted Fixed Rate per separately used or inhabited part of a rating unit differentiated by Community receiving the service would be the most effective, efficient and transparent method for funding this allocation.

### 7.1.9 Landfill and Transfer Stations Management

This function involves the maintenance and management of the Waitomo District Landfill in Te Kuiti and Transfer Stations across the District.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	45%	40%	Solid Waste TFR District wide.
Community/User Benefit	55%	60%	Fees and Charges

#### 7.1.9a Distribution of Benefits

District Benefit: The provision of this service provides benefit to the entire District derived from the accessibility of landfill and transfer stations and in terms of maintaining public health standards within the District.

User Benefit: Users of the landfill and transfer stations are the direct beneficiaries of this service.

#### 7.1.9b Funding

District Allocation: Council resolved that a Targeted Fixed Rate assessed on the basis of separately used or inhabited part of a rating unit across the entire District would be the most efficient and transparent method for funding this allocation.

User Allocation: Council resolved that user Fees and Charges would be the most efficient and transparent method to fund this allocation.

#### 7.1.10 Waste Minimisation

Preserves the environment and minimises potentially negative effects of the solid waste activity. Includes education programmes aimed at drawing attention to the benefits of waste minimisation and recovery.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	10%	0%	No funding mechanism
District Benefit	90%	22.5%	General Rate
		22.5%	UAGC
		55%	Waste Minimisation Rebate

#### 7.1.10a Distribution of Benefits

National Benefit: Effective Waste Minimisation provides not only environmental, but economic benefits as well, that accrue to the nation as a whole. Effective and appropriate disposal of solid waste helps protect public health and the environment for all New Zealanders.

District Benefit: All residents of the District benefit from general advice and education provided as part of this service. This activity is driven by Central Government policies and there is increased focus on waste minimisation at a national level, the benefits and costs of which accrue to the wider District as a whole.

#### 7.1.10b Funding

National Allocation: There is no lawful funding method to fund this allocation and therefore Council resolved that it be transferred to District Allocation.

District Allocation: Since all residents of the District benefit from the provision of this service, Council resolved a combination of General Rate, UAGC and Ministry of the Environment Waste Minimisation Rebates (when available) to be the most efficient, effective and transparent funding mechanism available to fund this allocation.

### 7.2 STORMWATER DRAINAGE

#### 7.2.1 Description

Stormwater is rain that runs over the ground on its way to a natural watercourse. When rain falls on buildings, carparks, driveways, roads and gardens, if it doesn't soak into the ground it follows its natural flow path downhill until it reaches a water course or is collected by a pipe system. Where there is development, runoff from properties and roads flow into stormwater systems. The greater the level of development in a catchment, the greater the level of impervious surfaces (e.g. roofs, driveways, paths etc), and therefore the greater the conversion of rainfall into runoff. If this runoff is not managed well, it will cause flooding. Generally stormwater is channelled on to roads or into open watercourses, then down streams and rivers to lakes and then the sea.

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

#### 7.2.2 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
CO5	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued

<b>Sustainable Infrastructure</b>	
C010	A place that provides safe, reliable and well managed infrastructure which meets the District community needs and supports maintenance of public health, provision of good connectivity and development of the District.

### 7.2.3 Period of Benefit (Intergenerational Equity)

Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

### 7.2.4 Costs and Benefits

The merit of identifying and accounting for this Activity separately from other Activities enables:

- More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- Identification of costs required to support the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

### 7.2.5 Activity Analysis and Funding Mechanisms

<b>Attributable Benefit</b>		<b>Funding</b>	
Benefit Group	% of Benefit	%	Method
<b>Urban Areas</b>			
Community Benefit	90%	67%	TFR
		33%	Targeted Rate (rate per \$100 of capital value)
User Benefit	10%	0%	Fees and Charges

<b>Attributable Benefit</b>		<b>Funding</b>	
Benefit Group	% of Benefit	%	Method
<b>Rural Areas</b>			
Community Benefit	90%	100%	TFR
User Benefit	10%	0%	Fees and Charges

### 7.2.6 Distribution of Benefits

**Community Benefit:** Communities that are provided with this service are the direct beneficiaries as it is their land and buildings that are protected from potential flooding. There are general public health benefits in providing a Stormwater system. A further significant community benefit from the Stormwater system is that roads remain passable during times of heavy rain and flooding.

**User/Applicant Benefit:** Individual land or property owners who can connect or are connected to the Stormwater network are the direct beneficiaries of the service.

### 7.2.7 Funding

Community Allocation

Council resolved that the most effective, equitable and transparent methods to fund this allocation is:

#### Te Kuiti Urban Rating Area

A combination of:

- a Targeted Fixed Rate assessed on a per rating unit basis (which will fund the standing charges associated with the provision of the service). This charge will be increased no more than annually to a maximum of the Local Government Cost Index for that year.
- the residual funding requirement will be met from a targeted rate assessed on a rate per \$100 of capital value per rating unit in the Te Kuiti Urban Rating Area.

Urban properties in the Te Kuiti Urban Rating Area that hold current resource consents to discharge stormwater directly into the Mangaokewa Stream, and which are not utilising any part of the urban reticulated Stormwater or drainage network, will not be assessed for the targeted rate based on property value. However, the TFR is associated with the overall provision of an urban Stormwater service. As such this component is deemed to relate to

the public good element of an urban Stormwater service. Therefore, the TFR will be assessed on all properties in the Te Kuiti Urban Rating Area.

### Rural Rating Area

A Targeted Fixed Rate will be assessed on the basis of every separately used or inhabited part of a rating unit within the Rural Rating Area.

In deciding the funding split between the Urban and Rural rating areas, Council recognised that most of the Stormwater network exists in the urban rating area and urban properties benefited most from the service.

User/Applicant Allocation: Given that minimal new development is forecast, Council resolved that the Targeted Rate and the Targeted Fixed Rate differentiated by urban and rural areas is the most efficient and transparently lawful available method for funding this allocation.

## 7.3 RESOURCE MANAGEMENT

### 7.3.1 Description

The Resource Management activity works towards the goal of seeking to effectively and efficiently provide a safe and sustainable environment through the administration and enforcement of the Resource Management Act 1991 (RMA 1991).

This activity involves the administration, application and enforcement of the Waitomo District Plan provisions including:

- Issuing of resource consents for land use and subdivisions
- Monitoring consents for compliance with conditions
- Making amendments to the District Plan.

### 7.3.2 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
CO5	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
	<b>Thriving Business</b>
CO6	A place that attracts more people who want to live, work and play, and raise a family.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.

### 7.3.3 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

### 7.3.4 Activity Analysis and Funding Mechanisms

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	60%	32.5%	General Rate
		32.5%	UAGC
User / Applicant Benefit	35%	35%	Fees & Charges
Exacerbator	5%		

#### 7.3.4a Distribution of Benefits

District Benefit: There is a district wide benefit to this activity as ensuring that the sustainable management of physical and natural resources in the District are developed in a planned and orderly matter is beneficial to the entire District.

User/Applicant Benefit: Individuals and groups applying for Resource Consents requiring monitoring are direct beneficiaries of this service.

Exacerbators: These are costs incurred in responding to the actions of offenders. This includes costs associated with non-compliance with consent conditions, and can result in expensive legal action and/or hearings.

#### 7.3.4b Funding

User/Applicant Allocation: Council resolved that user fees and charges would be the most efficient, effective and transparently lawful method available for funding this allocation.

Exacerbator Allocation: It is usually inefficient to prosecute offenders. Council agreed that it was not efficient or effective to separately fund this allocation due to the costs associated with prosecution, collection and administration and that education and monitoring are probably the most effective methods to promote a safe and sustainable environment in the District. It was resolved to reallocate this portion to District Allocation.

District Allocation: The most appropriate method of funding the remainder of this activity is considered to be 32.5% UAGC and 32.5% General Rate given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

## 7.4 SEWERAGE AND TREATMENT AND DISPOSAL OF SEWAGE

### 7.4.1 Description

The purpose of the Sewerage Activity is to collect, treat and dispose of sewage in an effective and environmentally friendly manner. Effective and efficient sewage collection, treatment and disposal is essential to protect the environment, maintain public health and to facilitate further economic development.

### 7.4.2 Schemes

Council provides sewerage (or wastewater) schemes in the following communities, in order to ensure the effective treatment and disposal of sewage in an environmentally sustainable manner and to promote and protect public health.

- 1) Te Kuiti
- 2) Piopio
- 3) Benneydale
- 4) Te Waitere.

### 7.4.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
C05	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
	<b>Effective Leadership</b>
C08	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued
	<b>Sustainable Infrastructure</b>
CO10	A place that provides safe, reliable and well managed infrastructure which meets the District community needs and supports maintenance of public health, provision of good connectivity and development of the District.

### 7.4.4 Period of Benefit (Intergenerational Equity)

Capital works that are an improvement or addition to the asset are considered intergenerational.

### 7.4.5 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- (a) More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- (b) Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- (c) Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- (d) Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- (e) Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

## 7.4.6 Activity Analysis and Funding Mechanisms

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
<b>Te Kuiti</b>			
Community Benefit	75%	75%	TFR
User/Applicant Benefit	25%	25%	Fees and Charges

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
<b>Te Waitere, Benneydale and Piopio</b>			
Community Benefit	75%	100%	TFR
User/Applicant Benefit	25%	0%	Fees and Charges

## 7.4.7 Distribution of Benefits

Community Benefit: Sewer Collection and Treatment reduces the possibility of health problems like spread of communicable diseases resulting from open sewer or inadequate septic tank facilities the benefits of which can be attributed to the community as a whole. Inadequate sewer disposal facilities can also detract from the aesthetic nature of the community and impact on receiving waterways.

The Community benefit can vary depending upon the amount of demand present. High users include premises with multiple pans.

User Benefit: Individual users in the particular sewer scheme who want to and are able to use the service can be identified as beneficiaries of the service.

## 7.4.8 Funding

User Allocation: Council resolved user Fees and Charges to be the most efficient method for funding this allocation for Te Kuiti, where revenue is received from connection fees and Trade Waste charges. For Te Waitere, Benneydale and Piopio, given that minimal new development is forecast, Council considered it prudent to fund this allocation through a Targeted Fixed Rate.

Community Allocation: Council resolved that a Targeted Fixed Rate differentiated by scheme and assessed on each separately used or inhabited part of a rating unit, would be the most efficient, effective and transparently lawful method for funding this allocation.

Within a scheme area, the charge will be differentiated for properties that are connected or have the ability to connect (serviceable). Any SUIP will be considered to have the ability to connect (serviceable) if in the opinion of Council it is practicably serviceable and its boundary is situated within 30 metres of Council's sewerage drain, to which it is able to be connected but is not so connected.

***In Te Kuiti, sewer charges will be assessed as per the following considerations:***

Sewer charges will be further differentiated on the basis of residential and non-residential properties.

For all residential properties, Council will assess a Targeted Fixed Rate per SUIP that is connected or has the ability to connect (within 30 meters of a Council main) to the Council sewerage network.

For all non-residential properties, Council will assess a Targeted Fixed Rate per SUIP set on a differential basis based on the following Categories (differentiated by the use to which land is put):

**Category 1** - All Businesses

**Category 2** - Education & Community Childcare, Places of Worship, Marae, Clubs and Societies and Emergency Services. This category consists of organisations that are generally deemed 'not for profit'. For avoidance of doubt, Category 2 only covers properties with uses listed within this category and no others.

**Category 3** - Government Department use, Rest Homes and Hospitals.

All non-residential SUIPs will be charged one base charge for up to four pans and per pan (Pan Charge) for every pan over and above this threshold. The base charge and per pan charge is calculated as follows:

Category	Base Charge	Pan Charge (per pan)
Category 1	50% of Te Kuiti residential connected rate (for up to 4 pans)	70% of Te Kuiti residential connected rate (for 5th pan and over)
Category 2	50% of Te Kuiti residential connected rate (for up to 4 pans)	30% of Te Kuiti residential connected rate (for 5 – 10 pans)
		20% of Te Kuiti residential connected rate (for over 10 pans)
Category 3	100% of Te Kuiti residential connected rate (for up to 4 pans)	70% of Te Kuiti residential connected rate (for 5th pan and over)

### **Piopio**

Council has identified peri-urban beneficiaries to determine the catchment area for the Piopio wastewater system for the application of the targeted rates. The area of particular benefit is the Piopio Wider Benefit Rating Area.

Council considers that there are a few communities outside of Piopio for whom Piopio Township is the main 'community of interest' and that they receive an indirect benefit from the development and well-being of Piopio. Therefore Council considers it fair that a separate catchment of these properties be identified called the Piopio Wider Benefit Rating Area (PWBRA) and a targeted rate for Piopio Sewerage be set for these properties.

A Targeted Fixed Rate will be charged to all rating units with the PWBRA.

*\* The amount paid by properties within the Piopio Wider Benefit Rating Area is determined annually on the following basis:*

- *Piopio properties connected to the Piopio sewerage system will pay a Targeted Fixed Rate.*
- *Any funding required over and above the amount raised by those properties within Piopio Township is then allocated to the Piopio Wider Benefit Rating Area as a Targeted Fixed Rate on a per rateable property basis.*

#### 7.4.9 Assistance for Smaller Communities

Wastewater services are provided by Council in communities where environmental, public health/safety and/or economic outcomes require it as an imperative. Council recognises that there are smaller, comparatively under populated, communities in the Waitomo District that may require assistance in funding the sustainable operation of such a service.

Council resolved that a contribution be made by all rating units in the District towards the funding of existing Wastewater services in smaller communities that are eligible so that appropriate and affordable services can be provided on a sustainable basis in response to community outcomes.

Council notes that the social, economic and environmental benefits of smaller communities in the District having sustainable wastewater services accrue to the entire District and not just to those communities or the Rural Ward alone.

Council will consider applying this Assistance for Smaller Communities policy to eligible rural communities when the cost per connection to an existing wastewater service exceeds a trigger level of a dollar value to be determined by Council from time to time. Council could increase this trigger level by a maximum of the Local Government Cost Index, through the annual rate setting process.

In future, Council might consider capping the total level of assistance that will be provided to eligible communities, making allowance only for annual Consumer Price Index (CPI) or Local Government Cost Index (LGCI) adjustments.

#### 7.4.10 Trade Waste Charges

The Trade Waste Bylaw regulates the discharge of Trade Waste to a sewage system operated by Council and sets out the mechanism for implementing trade waste charges.

Larger industrial meat processing industries (namely Te Kuiti Meats and Universal Beef Packers), who discharge trade waste into Council's sewerage system, play a major role in the local community. The very nature of their presence means that they contribute to economic and social well-being. They do that by virtue of the fact that they employ a large number of local people. There are a range of positive downstream impacts for the community as a result. There is an economic benefit in that the related employment results in economic activity with people living locally and investing in the local property market, sending their children to local schools and spending their earnings within the local economy. Social benefits also accrue with families becoming integrated within the local community, joining clubs and societies and reduced crime.

Council will continue with the 'exacerbator pays' principle for the large industrial meat processing companies as users of the Sewerage Network in Te Kuiti through the continued implementation of the Trade Waste Bylaw as it relates to Trade Waste Charges. However, Council will recognise the public good attached to the contribution these industries make to the social and economic well-being of the District Wide Community. This public good component is considered to be enjoyed by all in the community. By having such a large combined demand for a labour force means that these

industries attract people to our community for work and lifestyle reasons. Having these people living and working in the community provides economies of scale for infrastructure and services that are then enjoyed by all in the District. Further, these industries not only provide employment opportunities but also largely exist to add value to products produced by primary industry within the Waitomo District.

Council has decided that the cost of receiving and treating Trade Waste via the Te Kuiti Sewerage Network will be funded 80% by way of Trade Waste Charges (Exacerbator Pays) and 20% by way of Targeted Fixed Rate (Public Good) on a per rating unit basis across every rateable property in the District.

The continuation of the cap on Trade Waste Charges at 80% of full cost recovery is dependant on Te Kuiti Meats Limited and Universal Beef Packers providing a demonstrable commitment to an agreed level of on-site treatment of their Trade Waste prior to releasing it to the Te Kuiti Sewerage Reticulation Network.

## 8.0 ECONOMIC SUSTAINABILITY

Environmental Sustainability area works to promote a growing and sustainable economy in the Waitomo District.

The groups of activities contained within this group are:

- Water Supply
- Provision of Roads and Footpaths.

### 8.1 WATER SUPPLY

#### 8.1.1 Description

The water supply activity provides for the environmentally safe collection, treatment and reticulation of Council's public water supplies. Water supply is essential to run households, maintain public health and sustain economic development. Council is committed to providing a water supply service that meets the diverse needs of the Waitomo District.

#### 8.1.2 Supply Areas

Council provides water supply in the following communities:

- 1) Te Kuiti
- 2) Benneydale
- 3) Mokau
- 4) Piopio

#### 8.1.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Vibrant Communities</b>
CO5	A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.
	<b>Sustainable Infrastructure</b>
CO10	A place that provides safe, reliable and well managed infrastructure which meets the District community needs and supports maintenance of public health, provision of good connectivity and development of the District.

#### 8.1.4 Period of Benefit (Intergenerational Equity)

Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

#### 8.1.5 Costs and Benefits

The merit of identifying and accounting for this Activity separately from other Activities enables:

- (a) More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- (b) Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- (c) Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- (d) Improved monitoring of the Activity in terms of how well Council is achieving its COs annually.
- (e) Identification of costs required to support the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
<b>Te Kuiti</b>			
Community Benefit	75%	75%	TFR
User/Applicant Benefit	25%	25%	Targeted Rate - Water Consumption

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
<b>Mokau</b>			
Community Benefit	75%	70%	TFR
User/Applicant Benefit	25%	30%	Targeted Rate - Water Consumption

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
<b>Piopio</b>			
Community Benefit	75%	85%	TFR
User/Applicant Benefit	25%	15%	Targeted Rate - Water Consumption

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
<b>Benneydale</b>			
Community Benefit	75%	55%	TFR
User/Applicant Benefit	25%	45%	Targeted Rate - Water Consumption

#### 8.1.6 Distribution of Benefits

Community Benefit: Water treatment and supply contributes to providing a safe and healthy lifestyle and reduces the possibility of health problems resulting from contaminated water and inadequate supply. These benefits are attributable to the community (where the services are provided) as a whole. Provision of water supply ensures the maintenance of fire fighting capability, the benefits of which accrue to the entire community. All residents and properties in the area serviced by a particular water supply scheme can be identified as direct beneficiaries of the service.

#### 8.1.7 Funding

Community Allocation: Council resolved that a Targeted Fixed Rate differentiated by supply area and assessed on each separately used or inhabited part of a rating unit, would be the most efficient, effective and transparently lawful method for funding this allocation.

Within a water supply area, the charge will be differentiated for properties that are connected or have the ability to connect (serviceable). Any rating unit will be considered to have the ability to connect (serviceable) if in the opinion of Council it is practicably serviceable and its boundary is situated within 100 metres of a water main, to which it is able to be connected but is not so connected.

Any rating unit situated in Te Kuiti, Piopio, Benneydale or Mokau that has been fitted with a water meter and/or is defined as having an extraordinary supply (in accordance with Council's Water Services Bylaw) will be charged a targeted fixed rate per cubic metre of water consumed over and above an annual consumption of 292m<sup>3</sup> per SUIP.

#### 8.1.8 Assistance for Smaller Communities

Water Supply services are provided by Council in communities where environmental, public health/safety and/or economic outcomes require it as an imperative. Council recognises that there are smaller, comparatively under populated, communities in the Waitomo District that may require assistance in funding the sustainable operation of such a service. Council resolved that a contribution be made by all rating units in the District towards the funding of existing Water Supply services in smaller communities that are eligible, so that appropriate and affordable services can be provided on a sustainable basis in response to community outcomes. Council notes that the social, economic and environmental benefits of smaller communities in the District having sustainable Water Supply services accrue to the entire District and not just to those communities or the rural ward alone.

Council will consider applying this Assistance for Smaller Communities policy to eligible rural communities when the cost per connection to an existing water supply service exceeds a trigger level of a dollar value to be determined by Council

from time to time. Council could increase this trigger level by a maximum of the Local Government Cost Index, through the annual rate setting process.

In future, Council might consider capping the total level of assistance that will be provided to eligible communities, making allowance only for annual Consumer Price Index (CPI) or Local Government Cost Index (LGCI) adjustments.

## 8.2 PROVISION OF ROADS AND FOOTPATHS

### 8.2.1 Description

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

### 8.2.2 Functions

The functions comprising this activity are:

- 1) Subsidised Roding
- 2) Unsubsidised Roding

### 8.2.3 Community Outcomes

The table below shows the Community Outcomes that this Activity contributes to:

	<b>Thriving Business</b>
CO7	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.
	<b>Effective Leadership</b>
CO8	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued
	<b>Sustainable Infrastructure</b>
CO10	A place that provides safe, reliable and well managed infrastructure which meets the District community needs and supports maintenance of public health, provision of good connectivity and development of the District.

### 8.2.4 Period Of Benefit (Intergenerational Equity)

Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

### 8.2.5 Costs and Benefits

The merit of identifying and accounting for functions under this Activity separately from other functions enables:

- (a) More transparent disclosure and accountability of projects and funding to the Waitomo Community.
- (b) Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation.
- (c) Identification of how the Activity contributes to the achievement of COs and service delivery goals through detailed understanding and planning.
- (d) Improved monitoring of an Activity in terms of how well Council is achieving its COs annually.
- (e) Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.

## 8.2.6 Activity Analysis and Funding Mechanisms

### 8.2.7 Subsidised Roding

New Zealand Transport Agency (NZTA), the national road funding authority, provides a subsidy for works that meet the criteria for subsidy. The Activities currently subsidised by NZTA are:

- 1) Sealed Pavement Maintenance
- 2) Unsealed Pavement Maintenance
- 3) Routine Drainage Maintenance
- 4) Structures Maintenance
- 5) Environmental Maintenance
- 6) Traffic Services Maintenance
- 7) Level Crossing Warning Devices
- 8) Emergency Reinstatement
- 9) Network and Asset Management
- 10) Professional Services.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	58%	30%	Subsidy
District Benefit	42%	67%	Targeted Rate (rate per \$100 of capital value)
		1%	UAGC
		2%	Petroleum Tax Rebates and Contributions

#### 8.2.7a Distribution of Benefits

**National Benefit:** The District's roading network is part of the national and regional transport network. Efficient and sustainable development of the network within the District contributes to the economic and social well-being of the entire nation as it is used by travellers, goods transporters and others who may or may not live in the District. Transport facilities are maintained and developed to provide safe and comfortable travel within and through the District.

**District Benefit:** All residents and properties within the District can be identified as direct beneficiaries of the service as provision of roads enables access and transport to people and organisations within the District. The economic benefits of maintaining efficient transport facilities accrue to all residents of the District in one way or another.

#### 8.2.7b Funding

**National Allocation:** The National benefit portion is funded through NZTA subsidy. The amount of subsidy is decided by NZTA and is based on assessing costs and benefits therefore, Council resolved that the remainder of this allocation be transferred to District Allocation.

**District Allocation:** Council resolved that a combination of a Targeted Rate (rate per \$100 of capital value) assessed on all rating units, a UAGC, Petroleum Tax Rebates and contributions to works would be the most efficient and transparently lawful method of funding this allocation. Council resolved that funding a small portion of the allocation through UAGC would ensure equity in the funding sources by recognising the fact that the entire community has equal access to the roading network.

#### 8.2.7 Unsubsidised Roding

These are activities carried out to ensure the safe and efficient travel within and through the District and are necessary for road or pedestrian safety and convenience, but are not subsidised by NZTA and for which Council has sole financial responsibility. These include:

- 1) Footpath Maintenance
- 2) Footpath Renewals
- 3) Amenity Lights
- 4) Unsubsidised Miscellaneous work
- 5) Street Cleaning
- 6) Carpark maintenance (other than kerbside parking).

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District	100%	67%	TFR (Te Kuiti Urban and Periphery Rating Area)
		8%	Targeted Fixed Rate (Rating Units in the District not in the Te Kuiti Urban and Periphery Rating Area)
		25%	Fees and Charges

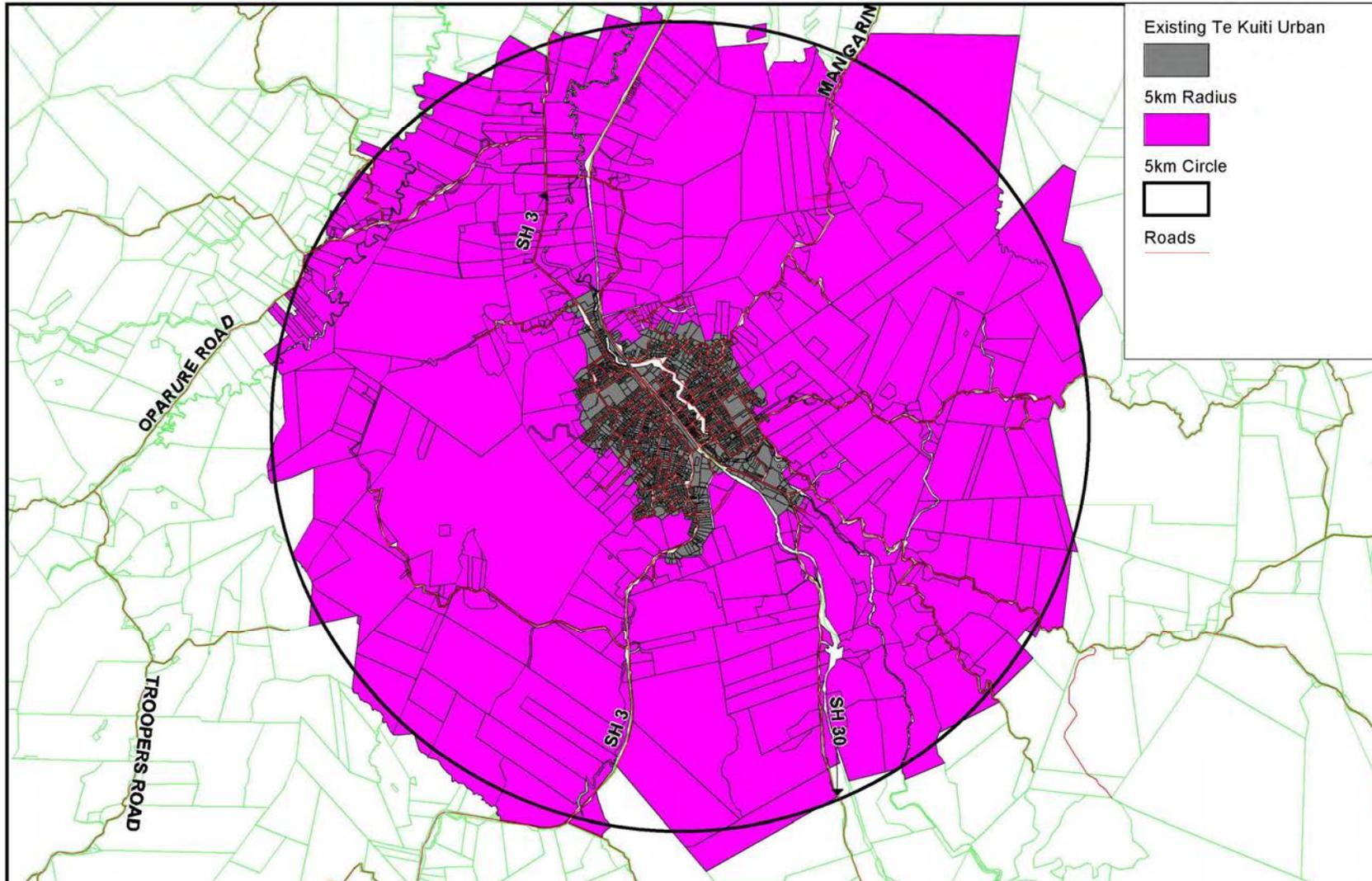
#### 8.2.7a Distribution of Benefits

**District Benefit:** Maintenance of transport services to provide for pedestrian safety and convenience has a District wide benefit in that all residents use or visit the urban centres.

#### 8.2.7b Funding

**District Allocation:** Council resolved that it would be most equitable to ring fence the costs of the activity as they fall in terms of Wards, and therefore a Targeted Fixed Rate differentiated by rating area set per SUIP would be the most efficient method of funding this allocation. Fees and charges include receipts from road closures, overweight permits, etc. together with a long standing contribution from McDonald's Lime towards maintenance of the District's roads based on annual production

APPENDIX ONE: TE KUITI URBAN AND PERIPHERY RATING AREA

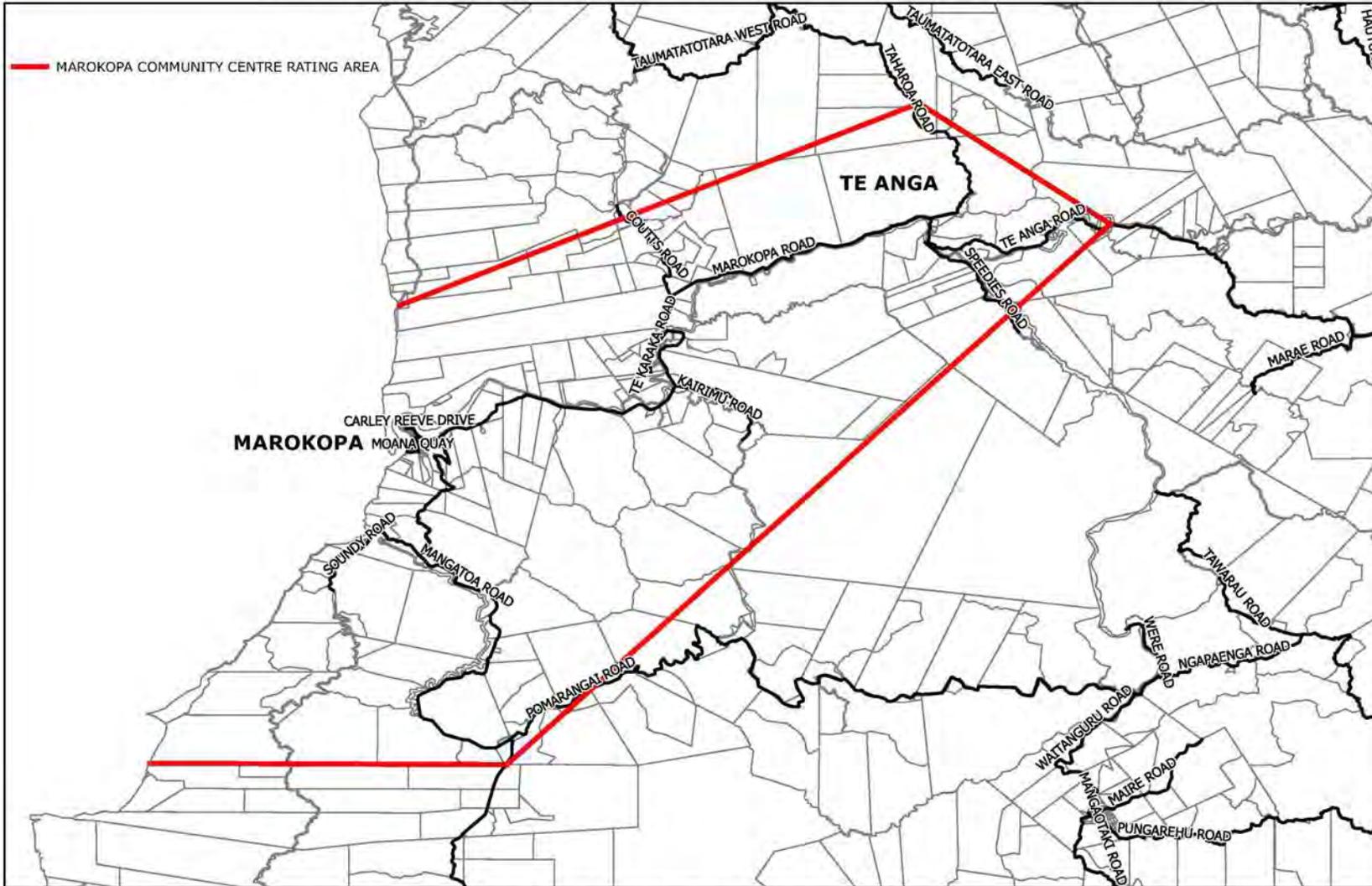


APPENDIX TWO: PIOPIO WIDER BENEFIT AREA

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APPENDIX THREE: MAROKOPA COMMUNITY CENTRE RATING AREA



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**Document No: 365064****File No: 037/020/15****Report To: Council Meeting****Meeting Date: 23 June 2015****Subject: Adoption of 2015-2025 Long Term Plan****Purpose of Report**

- 1.1 The purpose of this business paper is to:
- (i) Present the 2015-25 Long Term Plan for Council consideration and adoption as per Section 93 of the Local Government Act 2002 (LGA);
  - (ii) Set the rates for the 2015/16 financial year pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002 (LGRA 2002).

**Local Government Act S.11A Considerations**

- 2.1 There are no considerations relating to Section 11A of the Local Government Act in regards to this business paper.

**Risk Considerations**

- 3.1 Risks assessed and their mitigation in regards to matters contained in this business paper are as follows:
- 3.1.1 There is potential risk that all matters deliberated upon and agreed by Council at its meeting on 26 May 2015, with regard to the 2015-25 Long Term Plan, have not been taken into account in preparing the final 2015-25 LTP. This risk has been mitigated by using the recorded minutes of Council deliberations held on 26 May 2015 to make relevant changes to the 2015-25 LTP document.
  - 3.1.2 Council agrees to make significant changes to the financials contained in the 2015-25 LTP as part of the adoption process. This might require a re-assessment by the auditors of the final 2015-25 LTP which might delay the adoption of the 2015-25 LTP (this has to be completed by 30 June 2015).
  - 3.1.3 If the information in the rates resolution contained in this business paper is not accurate, the rates (or the inaccurate parts) could be invalid. The wording and calculations in the rates resolutions have been prepared by staff and checked by another staff member and against the Revenue and Financing Policy to ensure that the figures are accurate.

**Background**

- 4.1 The development of the 2015-25 LTP document started in July 2014, with a series of Council workshops and meetings held between July 2014 and February 2015 on LTP development matters.

- 4.2 Amendments in August 2014 to the LGA brought about significant changes to the LTP development process as well as the audit process for the LTP.
- 4.3 For the 2015-25 LTP, Councils were required to produce a Consultation Document (CD) to be used as the basis of engagement with the community on the LTP, which is different from the previous process where consultation was carried out on the draft LTP.
- 4.4 All the Supporting Information (SI), i.e. information relied on by the CD was to be made available on request during the consultation process.
- 4.5 A full LTP document is still required to be prepared and adopted by Council but only towards the end of the development process, incorporating the feedback received from the community on what the LTP should include. Very little has changed in terms of requirements for the final LTP (Schedule 10 of the LGA).
- 4.6 The audit component of the LTP process has also fundamentally changed. Under the new process, the first stage of the audit is where the Auditor makes a judgment as to whether Council's CD will prompt the "right debate" within our community, i.e. has Council got across the right messages and, in a manner that can be easily understood.
- 4.7 The second part of the audit process is to assess the completed LTP prior to its adoption. This audit round involves an assessment by the auditor as to whether the LTP gives effect to its purpose set out in section 93(6) of the LGA and does it comply with all the prescribed requirements and includes an assessment of the quality of the information and assumptions underlying the forecast information provided in the LTP.
- 4.8 Council adopted the CD and SI for public consultation on 24 March 2015 and the consultation period extended from 1 April 2015 to 1 May 2015.
- 4.9 Hearing of submissions was held on Monday 11 May 2015 and Council deliberated on the submissions on Tuesday 26 May 2015.

## **Commentary**

- 5.1 The matters raised in the submissions to the CD, and deliberated upon by Council, did not result in any changes to be made to the proposed 2015-25 LTP. In most of the cases Council has noted the matters raised and where relevant resolved to include it as part of its work programme for the following year.
- 5.2 The final 2015-25 LTP document, included with this report, reflects the decisions made by Council subsequent to the hearings and deliberations and also includes decisions on the management submission that were agreed upon by Council at the meeting held on 26 May 2015.
- 5.3 The table below summarises the change in, the total rates requirement and the forecast debt between the CD for the 2015-25 LTP and the final 2015-25 LTP as agreed by Council at the deliberations meeting of 26 May 2015.

Summary of Changes (\$000's)	EAP 2014	LTP 2015	LTP 2016	LTP 2017	LTP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024
<b>Rates Requirement</b>											
Consultation (March)	17,339	17,854	18,410	19,090	19,831	20,602	21,335	22,113	22,699	23,114	23,373
Percentage Change		2.97%	3.11%	3.69%	3.88%	3.89%	3.56%	3.65%	2.65%	1.83%	1.12%
Revised May	17,339	17,895	18,607	19,334	20,089	20,890	21,635	22,446	23,067	23,496	23,777
Percentage Change		3.21%	3.98%	3.91%	3.91%	3.99%	3.57%	3.75%	2.77%	1.86%	1.20%
Variance		41	197	244	258	288	300	333	368	382	404
<b>Public Debt Profile</b>											
Consultation (March)	53,995	51,692	53,239	52,878	51,255	49,726	47,954	44,590	40,792	36,918	32,754
Revised May	53,995	52,834	54,625	53,635	52,122	50,668	48,909	45,543	41,734	37,838	33,647
Variance	0	1,142	1,386	757	867	942	955	953	942	920	893

- 5.4 The **Local Government (Financial Reporting and Prudence) Regulations 2014** (2014 Regulations) is another legislative change that needs to be applied to financial statements and disclosures contained in the 2015-25 LTP document.
- 5.5 The transitional provisions of the 2014 Regulations required the changes to be made to the 2014 Annual Reports and the 2015-25 LTP for the first time.
- 5.6 One of the required changes is for the 2015-25 LTP financial statements to separately disclose water by meter income.

*Regulation 5(5):*

*The notes to a local authority's financial statements must specify the amount of income received or to be received from targeted rates for metered water supply.*

- 5.7 The guidance issued by Department of Internal Affairs on the Regulations 2014 states that Regulation 5(5) means "in your funding impact statements, metered water charges are now to be included with targeted rates, rather than separated out". The reason for the change is stated to be reliability of rates comparisons.
- 5.8 The result of making these prescribed changes in the LTP document has been that the total rates income has increased by the amount of forecast water by meter income in each year, an average of \$750k per annum. This will also impact on the total rates increase percentage, as shown in table below.

(\$000's)	EAP 2014	LTP 2015	LTP 2016	LTP 2017	LTP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024
Water by meter rates	699	634	661	682	706	732	760	790	823	858	897
<b>Total Rates (23 June)</b>	<b>18,038</b>	<b>18,528</b>	<b>19,268</b>	<b>20,015</b>	<b>20,795</b>	<b>21,623</b>	<b>22,396</b>	<b>23,238</b>	<b>23,890</b>	<b>24,356</b>	<b>24,665</b>
<i>Rate Increase</i>		2.72%	3.99%	3.88%	3.90%	3.98%	3.57%	3.76%	2.81%	1.95%	1.27%

- 5.9 It is important to note that there is no change in the financial impact as agreed by Council in its deliberations meeting. The change is only 'on the surface' due to the difference in where the water by meter revenue is now counted (in rates income instead of 'other revenue').

#### **Changes from Audit process**

- 5.10 Three key changes were suggested following the Audit Hot Review process for the 2015-25 LTP –
- A performance target for unsealed roads to ensure coverage of the full roading network. A new measure was added - Percentage of unsealed road metalled each year - 15% of the total.
  - Adding a note to the Water Supply performance targets stating that meeting the targets on compliance with Drinking Water Standards (for Te Kuiti) will be dependent on completion of the TK Water Treatment Plant upgrade.
  - Comment added in the Financial Strategy to the effect that deferring depreciation funding for some new assets will not create a bow wave of increased future rates requirement and that this is supported by the consistent rates increase forecast over the 10 years of the LTP.
- 5.11 All other suggested changes were minor and editorial in nature.

<b>Recommendation</b>
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- 6.1 The final 2015-25 LTP document and all supporting documentation such as Council's AMPs reflect the outcome of the Hearings and Deliberations process held on 11 and 26 May 2015. It is recommended that the final 2015-25 LTP and supporting documentation is adopted by Council.
- 6.2 Council receive the draft, "in principle" Opinion from the Auditor (to be tabled at the meeting) which will be provided subject to Council adopting the 2015-25 LTP as audited by the OAG. The Audit Opinion on the final 2015-25 LTP will be received following adoption of the LTP by Council at the 23 June 2015 Council meeting.
- 6.3 The setting and assessment of the rates for the 2015/16 financial year, as recommended for resolution by Council in this business paper, reflect the intent of the final LTP document as presented.

<b>Suggested Resolutions</b>
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- 1 The business paper on Adoption of the 2015-25 Long Term Plan be received.
- 2 Council adopt the 2015-25 Long Term Plan.
- 3 Pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002, Council set the rates, charges and instalment due dates for the 2015-16 financial year commencing 1 July 2015 and ending on 30 June 2016 as follows:

## 1. GENERAL RATE

A General Rate set under section 13 of the Local Government (Rating) Act 2002 (LGRA) made on every rating unit across the District, assessed as a rate per \$100 of capital value. The General Rate is not set differentially. The General Rate will contribute to the funding of:

- Governance: Leadership and Investments
- Leased Reserves
- Other Land and Buildings
- District Libraries
- Aquatic Centre
- Arts Culture and Heritage
- Aerodrome
- Public Amenities
- Parks & Reserves
- Elderly Persons Housing
- Community Halls
- Cemeteries
- Community Support
- District Development
- Emergency Management
- Rural Fire
- Regulation
- Waste Minimisation
- Resource Management

### ***Requirement in 2015/16 (incl. GST)***

<b>General Rate</b>	<b>Rate per \$100 capital value</b>	<b>Total Revenue Requirement (\$000)</b>
All rating units in the District	0.13793	3,949

## 2. UNIFORM ANNUAL GENERAL CHARGE

A Uniform Annual General Charge (UAGC) per separately used or inhabited part of a rating unit across the District, set under Section 15(1)(b) of the LGRA. The UAGC will contribute to the funding of:

- Governance: Leadership and Investments
- Parks and Reserves
- District Libraries
- Aquatic Centre
- Arts, Culture and Heritage
- Other Land and Buildings
- Public Amenities
- Leased Reserves
- Elderly Persons Housing
- Community Halls
- Cemeteries
- Community Support
- Automobile Association
- Emergency Management
- Regulation
- Resource Management
- Waste Minimisation
- Subsidised Rooding

### ***Requirement in 2015/16 (incl. GST)***

<b>Uniform Annual General Charge</b>	<b>Charge per SUIP</b>	<b>Total Revenue Requirement (\$000)</b>
All rating units in the district	\$656	3,632

## DEFINITION OF SUIP

A SUIP is defined as including any part of a rating unit used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of tenancy, lease or other agreement. At a

minimum, the land or premises forming the SUIP must be capable of actual habitation, or actual separate use. For the avoidance of doubt, a rating unit that has only one use (i.e. does not have separate parts or is vacant land) is treated as being one SUIP.

### 3. TARGETED RATES

#### *Description and Use*

Targeted Rates are set on categories of land defined by some factor, such as geographic location or provision of service. The titles of 'Targeted Rate' ('TR') and Targeted Fixed Rate (TFR) are used by this Council. Targeted Fixed Rates are based on a uniform amount set per separately used or inhabited part of a rating unit (SUIP) or set per rating unit. Targeted Rates are assessed based on capital value.

#### **Targeted Rates Differentiated on Location**

Council will use location (Schedule 2(6) LGRA) to define the land liable for the Targeted Services TFR, Piopio Sewerage TFR, Piopio Retirement Village Contribution TFR, Rural Stormwater TFR, Te Kuiti Urban Stormwater TFR and targeted rate, and the Marokopa Community Centre TFR.

The following location definitions for the respective rating areas will apply:

Te Kuiti Urban Rating Area	All rating units situated within the Te Kuiti Urban Ward as defined by the Basis of Election for the 2010 Triennial Elections.
Te Kuiti Urban and Periphery Rating Area	All rating units situated within a 5km radius, all around, from the Information Centre (deemed to be the centre of town), in Te Kuiti.
Rural Rating Area	All rating units situated within the Rural Ward as defined by the Basis of Election for the 2010 Triennial Elections.
Piopio Wider Benefit Rating Area	All rating units situated in the rural areas around Piopio Township (excluding Rating units situated within Piopio Township) that are deemed to indirectly benefit from the Piopio Sewerage reticulation network.

#### **3.1 Targeted Services TFR**

A Targeted Services TFR set under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the District, differentiated by rating areas, to part fund the Unsubsidised Rooding Activity and part fund the Aquatic Centre Activity. The rating areas for the purpose of assessing the Targeted Services TFR will be the Te Kuiti Urban and Periphery Rating Area and rating units in the District not in the Te Kuiti Urban and Periphery Rating area.

#### ***Requirement in 2015/16 (incl. GST)***

<b>Targeted Services TFR</b>	<b>Charge per SUIP</b>	<b>Total Revenue Requirement (\$000)</b>
Te Kuiti Urban and Periphery Rating Area	\$201	470
Rating units in the District not in the Te Kuiti Urban and Periphery Rating Area	\$38	121

#### **3.2 Piopio Sewerage TFR – Piopio Wider Benefit Rating Area**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit situated within the Piopio Wider Benefit Rating Area to assist the funding of the sewerage reticulation networks in Piopio.

#### ***Requirement in 2015/16 (incl. GST)***

<b>Piopio Sewerage TFR</b>	<b>Charge Per Rating Unit</b>	<b>Total Revenue Requirement (\$000)</b>
Piopio Wider Benefit Rating Area	\$34	19

### 3.3 Piopio Retirement Village Contribution TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit situated within the Piopio Township and the Piopio Wider Benefit Rating Area to fund the support of the continued delivery of elderly housing accommodation services provided by the Piopio Retirement Trust Inc. through the remission of service charges.

#### **Requirement in 2015/16 (incl. GST)**

<b>Piopio Retirement Village Contribution TFR</b>	<b>Charge Per Rating Unit</b>	<b>Total Revenue Requirement (\$000)</b>
Piopio Wider Benefit Rating Area and Piopio Township	\$23	17

### 3.4 Rural Stormwater TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the Rural Rating Area of the District to fund the Rural Stormwater Activity.

#### **Requirement in 2015/16 (incl. GST)**

<b>Rural Stormwater TFR</b>	<b>Charge per SUIP</b>	<b>Total Revenue Requirement (\$000)</b>
Rural Rating Area	\$17	61

### 3.5 Te Kuiti Urban Stormwater TFR and Targeted Rate

(i) Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the Te Kuiti Urban Rating Area to partly fund the Urban Stormwater Activity.

(ii) Council set a Targeted Rate under section 16 of the Local Government (Rating) Act 2002 to partly fund the Urban Stormwater Activity, to be assessed as a rate per \$100 of Capital value on every rating unit in the Te Kuiti Urban Rating Area excluding those in respect of which there is a current resource consent to discharge stormwater into the Mangaokewa Stream, and so are not using any part of the urban reticulated stormwater or drainage network.

#### **Requirement in 2015/16 (incl. GST)**

<b>Te Kuiti Urban Stormwater TFR</b>	<b>Charge per rating unit</b>	<b>Total Revenue Requirement (\$000)</b>
Te Kuiti Urban Rating Area	\$150	267

<b>Te Kuiti Urban Stormwater Targeted Rate</b>	<b>Rate per \$100 Capital Value</b>	<b>Total Revenue Requirement (\$000)</b>
Te Kuiti Urban Rating Area (excluding rating units not using network)	0.04965	147

### 3.6 Marokopa Community Centre TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 assessed per separately used or inhabited part of a rating unit within the defined Marokopa Community Centre Rating Area (definition of Marokopa Community Centre Rating Area as contained in the Revenue and Financing Policy)

**Requirement in 2015/16 (incl. GST)**

<b>Marokopa Community Centre TFR</b>	<b>Charge per SUIP</b>	<b>Total Revenue Requirement (\$000)</b>
Marokopa Community Centre Rating Area	\$22	5

**3.7 Water Rates**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 for Water Supply differentiated on the basis of supply area. The TFR is set per separately used or inhabited part of a rating unit within the relevant community, with liability calculated based on whether the SUIP is connected, or serviceable (serviceable means the rating unit is within 100m of a Council water main and practicably serviceable in the opinion of Council).

**Requirement in 2015/16 (incl. GST)**

<b>Water Supply (TFR)</b>	<b>Charge</b>		<b>Total Revenue Requirement (\$000)</b>
	<b>Per connected SUIP</b>	<b>Per serviceable SUIP</b>	
Te Kuiti	\$521	\$261	1,079
Piopio	\$1283	\$641	318
Benneydale	\$1,400	\$700	162
Mokau	\$1,400	\$700	302

**3.8 Extraordinary Water Supply**

Council set a TFR under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water consumed over and above an annual consumption of 292m<sup>3</sup> per SUIP, differentiated by supply area, for any rating unit situated in Te Kuiti, Piopio, Benneydale or Mokau that has been fitted with a water meter and / or is defined as having an extraordinary supply (in accordance with Council's Water Service's Bylaw). The rates are:

**Requirement in 2015/16 (incl. GST)**

<b>Water Supply Rate</b>	<b>Charge per cubic metre (including GST) above 292m<sup>3</sup></b>
Te Kuiti	\$1.90
Piopio	\$4.20
Benneydale	\$7.40
Mokau	\$9.30

**3.9 Subsidy Rate for Benneydale Water Supply**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Benneydale Water Supply activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

**Requirement in 2015/16 (incl. GST)**

<b>Subsidy for Benneydale Water Supply</b>	<b>Charge</b>	<b>Total Revenue Requirement (\$000)</b>
All Rating Units in the District	\$5	24

### 3.10 Subsidy Rate for Mokau Water Supply

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Mokau Water Supply activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

#### **Requirement in 2015/16 (incl. GST)**

Subsidy for Mokau Water Supply	Charge	Total Revenue Requirement (\$000)
All Rating Units in the District	\$5	23

### 3.11 Sewerage Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 to provide for the collection and disposal of sewage, differentiated on the basis of supply area. The TFR is set per separately used or inhabited part of a rating unit within the community, with liability calculated based on whether the SUIP is connected to the sewerage network, or merely serviceable (serviceable means the rating unit is within 30m of sewer reticulation and practicably serviceable in the opinion of Council).

#### **Requirement in 2015/16 (incl. GST)**

Sewerage TFR	Charge		Total Revenue Requirement (\$000)
	Per connected SUIP	Per serviceable SUIP	
Benneydale	\$1,100	\$550	119
Te Waitere	\$1,100	\$550	16
Te Kuiti	\$956	\$478	1,620
Piopio	\$1,100	\$550	241

### 3.12 Trade Waste Contribution

Council set a Trade Waste Contribution TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the District in recognition of the contribution made to the social and economic well-being of the District by the large industrial users of the Te Kuiti Wastewater Network.

#### **Requirement in 2015/16 (incl. GST)**

Trade Waste Contribution	Charge	Total Revenue Requirement (\$000)
	Per rating unit	
All Rating Units in the District	\$41	191

### 3.13 Sewerage Rates for non-residential properties in Te Kuiti

For all non-residential properties in Te Kuiti, Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit differentiated on the basis of the following Categories:

- **Category 1** - All Businesses
- **Category 2** - Education & Community Childcare, Places of Worship, Marae, Clubs and Societies and Emergency Services. This category consists of organisations that are generally deemed 'not for profit'. For avoidance of doubt, Category 2 only covers properties with uses listed within this category and no others.
- **Category 3** - Government Department use, Rest Homes and Hospitals.

All non-residential SUIPs will be charged one base charge for up to four pans and per pan (Pan Charge) for every pan over and above this threshold on the following basis:

**Base Charge:****Requirement in 2015/16 (incl. GST)**

Non-Residential Sewerage Rate	Base Charge per SUIP (up to 4 pans)	Total Revenue Requirement (\$000)
Category 1	\$478	93
Category 2	\$478	16
Category 3	\$956	17

**Pan Charge:****Requirement in 2015/16 (incl. GST)**

Non-Residential Sewerage Rate	Number of pans	Charge per pan	Total Revenue Requirement (\$000)
Category 1	5 <sup>th</sup> pan and over	\$669	78
Category 2	5-10 Pans	\$287	2
	Over 10 Pans	\$191	24
Category 3	5 <sup>th</sup> pan and over	\$669	40

**3.14 Subsidy Rate for Te Waitere Sewerage**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Te Waitere Sewerage activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

**Requirement in 2015/16 (incl. GST)**

Subsidy for Te Waitere Sewerage	Charge	Total Revenue Requirement (\$000)
All rating units in the District	\$7	33

**3.15 Subsidy Rate for Benneydale Sewerage**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Benneydale Sewerage activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

**Requirement in 2015/16 (incl. GST)**

Subsidy for Benneydale Sewerage	Charge	Total Revenue Requirement (\$000)
All rating units in the District	\$11	52

**3.16 Roads and Footpaths Rate**

Council set a Roads and Footpaths Targeted Rate under section 16 of the Local Government (Rating) Act 2002 as a rate per \$100 of capital value on every rating unit across the District to part fund Subsidised Rooding (part of Roads and Footpaths Activity).

**Requirement in 2015/16 (incl. GST)**

District Roads and Footpaths Rate	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
All rating units in the District	0.22285	6,380

### 3.17 Solid Waste Collection Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit to which Council provides a kerbside collection and recycling service, differentiated by service areas where Council operates kerbside collection and kerbside recycling service (Te Kuiti, Piopio, Mokau and (part of) Waitomo townships).

#### **Requirement in 2015/16 (incl. GST)**

Solid Waste Collection (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
Te Kuiti	\$55	110
Waitomo	\$75	42
Piopio	\$124	28
Mokau	\$159	44

### 3.18 Solid Waste Management Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit , to part fund the activity of Solid Waste Management.

#### **Requirement in 2015/16 (incl. GST)**

Solid Waste Management (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
All rating units in the District	\$112	618

### 3.19 District Development Rate

Council set a District Development Targeted Rate under section 16 of the Local Government (Rating) Act 2002 as a rate per \$100 of capital value on every rating unit in the District, differentiated between Commercial and Industrial Businesses, and Rural Businesses, to part fund Economic Development, Visitor Information Centre, District and Regional Promotion and Event Co-ordination activities.

#### **Requirement in 2015/16 (incl. GST)**

District Development Rate	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
Commercial and Industrial Businesses	0.03699	110
Rural Businesses	0.00570	110

## 4. Rates Payments

Rates will be payable in four equal instalments with the due dates for payments being:

1st Instalment	31 August 2015 (Monday)
2nd Instalment	30 November 2015 (Monday)
3rd Instalment	29 February 2016 (Monday)
4th instalment	31 May 2016 (Tuesday)

#### **Note**

The due date for payment of each instalment is the last working day in each of the months specified above. Rates payments will be allocated to the oldest debt first.

## 5. Rates Remissions and Postponements

Council has developed a rates remissions policy as per LGA (section 102 (3)(a) and 109) and LGRA (Section 85). Remissions categories include Properties Used Jointly as a Single Unit, Community Organisations, Financial Hardship, Organisations Providing Care for the Elderly, Clubs and Societies, New

Subdivisions, Council Properties, Maori Freehold Land. The value of these remissions is \$205,000 for the 2015/16 year.

Under the Policy on Remission of Rates, Council will not offer any permanent postponements of rates.

4 Pursuant to sections 57 and 58 of the Local Government (Rating) Act 2002, Council may apply penalties as follows:

(a) A penalty charge of 10 percent (10%) on any part of an instalment that has been assessed for the financial year commencing 1 July 2015 and which remains unpaid after 5pm on the due date for payment of that instalment, to be added on the penalty dates below:

Instalment 1	2 September 2015
Instalment 2	2 December 2015
Instalment 3	2 March 2016
Instalment 4	2 June 2016

(b) A further penalty charge of 10 percent (10%) on any part of any rates assessed before 1 July 2015 that remains unpaid on 1 July 2015, to be added on 6 July 2015.



VIBHUTI CHOPRA  
**GROUP MANAGER – CORPORATE SERVICES**

9 June 2015

Attachment: 1 2015-25 Long Term Plan

**Document No:** 365248**File No:** 100/018B**Report To: Council****Meeting Date:** 23 June 2015**Subject: Financial Report for the Eleven Months ended 31 May 2015**

### Purpose of Report

- 1.1 The purpose of this business paper is to present the Financial Report for the eleven months ended 31 May 2015.

### Local Government Act S.11A Considerations

- 2.1 There are no considerations relating to Section 11A of the Local Government Act in regards to this business paper.
- 2.2 This business paper is intended to enable oversight and accountability of Council's financial performance in delivering core services to the Waitomo District and community.

### Risk Considerations

- 3.1 There is potential risk that the year to date expenditure presented in this report is understated due to all costs incurred during the period not being included. This could be caused by the individual invoice amounts being small, an invoice not being received or an accrual not being included in the accounts. Processes and checking procedures are in place to mitigate this risk as much as possible. This risk is eliminated when year end results are prepared.
- 3.2 There is potential risk that some revenue included in the financial statements is subsequently not converted to cash or cash equivalents due to dispute by the customer or ratepayer. The raising of invoices and recognition of income is carried out with management review and approval to minimise this risk and trade debtors and other receivables are actively monitored and reviewed.
- 3.3 Depreciation could be materially different in this report compared with the year end result due to asset additions and disposals in the process of being completed. The depreciation on additions is estimated for the purpose of this report. The depreciation value for the 2014/15 year will be confirmed for inclusion in the Annual Report.
- 3.4 There is a risk that the financial results and position stated within this report in terms of Balance Sheet information is materially different from the results and position at the end of the financial year, due to the impact of asset revaluations. The asset classes being revalued at 30 June 2015 are water, wastewater, stormwater, forestry and land and buildings. To minimise this risk, an assessment of the fair value of significant assets in between revaluation years is carried out in-house and tested against the information provided by the valuers every year.
- 3.5 There is a risk that some financial assets may become impaired, but that the impairment amount is unknown. This will cause an over statement of carrying

value of the asset in this report, that would subsequently corrected in a later report and Annual Report.

## Background

- 4.1 The period covered by this report is 1 July 2014 to 31 May 2015.
- 4.2 The order of the report is as follows:
- **Summary Income Statement** with comments detailing significant variances to Exceptions Annual Plan 2014/15 on Council's operating performance for the eleven months to 31 May 2015.
  - **Summary Balance Sheet** with comments detailing significant balance sheet movements from 1 July 2014 to 31 May 2015.
  - **Capital Expenditure** summary with commentary on material variances of expenditure for the year compared with the Exceptions Annual Plan 2014/15.
  - **Summary Treasury Management** which reports on the Public Debt position, cash reserves and significant treasury transactions.
  - **Cost of Service** Statement Summary and Cost of Service Statements for Council's eleven significant activities are presented in **Appendix 1**.
  - **Balance Sheet** as at 31 May 2015 is presented in **Appendix 2**.
- 4.3 All figures in the tables, except percentages, are expressed in thousands of dollars (\$000s).

## Financial Report to 31 May 2015

### 5.1 INCOME STATEMENT HIGHLIGHTS

- 5.2 Set out below is the summary of financial information for the eleven months to 31 May 2015. Detailed Cost of Service Statements are attached as **Appendix 1**.

FINANCIAL HIGHLIGHTS (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Total Expenditure</b>						
- Direct Operating	12,471	12,007	10,291	10,867	576	
- Indirect Operating	11,982	14,031	12,710	11,036	(1,674)	
<b>Total Expenditure</b>	<b>24,453</b>	<b>26,038</b>	<b>23,001</b>	<b>21,903</b>	<b>(1,098)</b>	<b>-5%</b>
<b>Total Revenue</b>						
- Operating Revenue	(11,147)	(10,860)	(9,093)	(10,335)	(1,242)	
- Rates Revenue	(17,297)	(17,749)	(17,719)	(17,717)	2	
<b>Total Revenue</b>	<b>(28,444)</b>	<b>(28,609)</b>	<b>(26,812)</b>	<b>(28,052)</b>	<b>(1,240)</b>	<b>5%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>(3,991)</b>	<b>(2,571)</b>	<b>(3,811)</b>	<b>(6,149)</b>	<b>(2,338)</b>	<b>61%</b>
<b>Other Comprehensive Income</b>						
- Revaluation of Property, plant and equipment	(2,112)	0	0	0	0	
- Revaluation of Available for Sale Assets	(2,600)	0	0	0	0	
- Gains/Losses from Cash Flow Hedges	(383)	0	0	0	0	
<b>Total Other Comprehensive Income</b>	<b>(5,095)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Comprehensive Income for the Year</b>	<b>(9,086)</b>	<b>(2,571)</b>	<b>(3,811)</b>	<b>(6,149)</b>	<b>(2,338)</b>	<b>61%</b>

- 5.3 **Net Operating Cost/ (Surplus):** The net operating surplus of \$6,149,000 was \$2,338,000 more than the year to date budget for the 2014/15 financial year.
- 5.4 **Operating Expenditure** was 5% (\$1,098,000) less than budget forecast for the period ended 31 May 2015.
- Direct Operational expenditure was \$576,000 more than budget. The main contributors to this variance in order of magnitude are:
    - **Water Supply:** \$534,000 more than budget for the period. Operational and maintenance costs for the water treatment plant and reticulation system were more than budget for Te Kuiti, Piopio and Mokau, with the main contributor being higher than budgeted direct costs of operation and maintenance carried out by the contractor. The additional expenditure incurred in direct costs is mostly offset by reduced expenditure in indirect expenditure.
    - **Sewerage:** \$213,000 more than budget. Additional costs were required for materials and routine maintenance in the Te Kuiti network during the period. This included increased pipeline maintenance for William, Edward and Hill Streets in Te Kuiti. In addition to this, expenditure on chemicals was more than forecast. As with Water Supply, higher direct costs than budgeted are a result of contract costs of operation and maintenance. Again the additional direct expenditure for contracted operations and maintenance is offset by reduced costs in indirect expenditure.
    - **Community Development:** \$103,000 more than budget. This was mainly due to application of rates and penalty remissions for current year rates and historic rates arrears on multiple owned unproductive Maori Freehold land. These remissions were applied on behalf of the owners who cannot be located.
  - These over expenditures were offset by reduced expenditure in:
    - **Community Service:** \$110,000 less than budget. This was due mainly to repairs and maintenance budgets remaining unspent during the period. These costs are only incurred on an as needed basis. Expenditure on Safety is also less than budget due to costs for the Fire Group establishment and Civil Defence programme not yet being spent.
    - **Solid Waste Management:** \$48,000 less than budget. This is due to the purchase of Emissions Trading Scheme units being less than forecast. WDC purchased ERU's to offset this years obligation which were significantly cheaper than forecast.
  - Indirect expenditure is \$1,674,000 less than budget and is made up of the following three components:
    - **Allocated Costs:** \$381,000 less than forecast. The main driver for the variance is timing of actual expenditure against budget for organisational resourcing requirements, vehicles costs and information services costs. The budget also assumed that operation and maintenance resourcing for Water Supply, Sewerage and Stormwater would be brought in house. To date this transfer has been partially implemented with the reticulation work still being carried out by the contractor.
    - **External Interest:** \$598,000 less than forecast. The first reason for this is that the budget assumed interest rate of 5.75% while the weighted average interest rate applicable during the year has been around 5.35%

and has further decreased to 5.13% during May. The other reason is that the budgeted interest cost was based on 1 July 2014 projected public debt of \$53 million while the actual public debt at that date was \$44 million due to capital expenditure for the 2013/14 year being less than forecast.

- **Depreciation:** \$695,000 less than forecast and there are three significant contributors to this variance.
- Depreciation for the Te Kuiti waste water treatment plant assets which were capitalised during 2013/14 was less than that assumed in the EAP 2014/15 budget. Detailed componentisation is still to be completed which could lead to depreciation charged being different to what it is currently.
- Depreciation for road assets was \$193,000 less than budget for the eleven months. This was due largely to the road revaluation at 30 June 2014. The outcome of the revaluation determined the annual depreciation on existing assets to be \$2,956,000, which is \$209,000 less than forecast. This variance will decrease by year end due to depreciation on current year asset additions. Historically this amount has been between \$80,000 and \$100,000.
- The third significant contributor is due to the timing of capital expenditure for the Te Kuiti Water Treatment Plant upgrade. The EAP 2014/15 budget was prepared on the basis that significant capital expenditure would be completed in the 2013/14 year and the assets would be depreciating in the 2014/15 year.

5.5 **Total Revenue** was \$1,240,000 more than forecast for the period ended 31 May 2015.

- Operating Revenue was \$1,242,000 more than forecast. The main contributors to this variance are:
  - **Community Service:** \$721,000 more than forecast due to receipt of the grant revenue of \$553,000 from the Lottery Grants Board for the restoration of the Railway Buildings. A further Trust Waikato donation of \$38,000 was also received for this project. A grant of \$60,000 has also been received from North King Country Development Trust for the development of the community space at the Railway Buildings. Contributions to capital works from The Cottage for their share of car park renewal, from the Piopio Hall committee for their contribution to works carried out at Piopio Hall, and lease revenue for Speedies Road Hydro project also contributed to this variance.
  - **Sewerage:** \$725,000 more than forecast from Trade Waste revenue which is significantly more than forecast due to high volumes and nutrient loadings of discharge from the larger trade waste users.

This was offset by reduced revenue received for:

- **Roads and Footpaths:** \$441,000 less than forecast due to less than forecast subsidy revenue because the capital expenditure is less than what was expected for year to date.
- **Solid Waste** \$96,000 less than forecast. This was due to reduced levels of waste being deposited at the landfill which has resulted in less revenue being received.

## 6.1 **BALANCE SHEET HIGHLIGHTS**

6.2 Balance Sheet highlights presented below show the movement in Council's financial position from 30 June 2014 to 31 May 2015. The complete Balance Sheet is attached as **Appendix 2**.

<b>BALANCE SHEET HIGHLIGHTS (Amounts in \$1000's)</b>	<b>Actual Position 30 June 2014</b>	<b>Actual Position 30 May 2015</b>	<b>Movement from 30 June 2014</b>
<b>Assets</b>			
- Cash and cash equivalents	955	4,384	3,429
- Debtors and Other Receivables	5,258	4,744	(514)
- Other current assets	103	103	0
- Other financial assets	3,389	3,389	0
- Non-current assets	320,005	323,437	3,432
- Derivative financial instruments	409	409	0
<b>TOTAL ASSETS</b>	<b>330,119</b>	<b>336,466</b>	<b>6,347</b>
<b>Liabilities</b>			
- Other Liabilities	5,472	4,015	(1,457)
- Total Borrowings	44,865	46,520	1,655
- Derivative financial instruments	171	171	0
<b>Total Liabilities</b>	<b>50,508</b>	<b>50,706</b>	<b>198</b>
<b>Public Equity</b>			
- Public Equity	279,611	285,760	6,149
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>330,119</b>	<b>336,466</b>	<b>6,347</b>

6.3 **Total Assets** have increased from \$330 million to \$336 million.

- Cash and cash equivalents have increased by \$3,429,000 from \$955,000 to \$4,384,000. The increase in cash held was due to receipt of the fourth instalment of rates, additional trade waste revenue received and unbudgeted grants for the railway building (as detailed in 4.5 above).
- Debtors and Other Receivables decreased by \$514,000 from \$5,258,000 to \$4,744,000. This decrease is due to subsidy receivable due from NZTA and the Ministry of Health decreasing by \$276,000 and \$691,000, respectively. Receivables due from other debtors has also decreased by \$445,000, however rates receivables have increased by \$898,000.
- Non-current assets have increased by \$3,432,000. The increase is due to the net effect of asset additions of \$8,428,000, less depreciation of \$4,900,000 and asset disposals of \$96,000.

6.4 **Total Liabilities** have increased from \$50,508,000 to \$50,706,000.

- Other Liabilities have decreased by \$1,457,000 due to a general reduction in Creditors and other payables and retention monies held at 31 May 2015.
- Total Borrowings increased by \$1,655,000. This increase was due to the net effect of some key factors being - issue of \$5,000,000 floating rate note, part payment of Westpac Term Advance of \$3,697,000, and draw down of \$450,000 from the Call advance facility offset by a decrease in accrued interest of \$96,000 (due to the timing of interest settlements).

6.5 **Public Equity** increased from \$279,611,000 by \$6,149,000 which equals the net operating surplus for the eleven months to May 2015.

7.1 **CAPITAL EXPENDITURE**

7.2 Set out below is the Capital Expenditure Budget for the year compared to actual expenditure for the eleven months ended 31 May 2015.

<b>CAPITAL EXPENDITURE SUMMARY</b>	<b>EAP Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>(Amounts in \$1000's)</b>	<b>2014/15</b>	<b>YTD May 2015</b>	<b>2014/15</b>
<b>Community Service</b>			
- Parks and Reserves	107	120	13
- Housing and Other Property	874	1,427	553
- Recreation and Culture	304	48	(256)
- Public Amenities	79	232	153
<b>Community Development</b>			
- Youth Engagement	0	0	0
<b>Regulation</b>			
- Animal Control	0	7	7
<b>Solid Waste Management</b>			
- Landfill Management	901	426	(475)
<b>Stormwater</b>			
- Te Kuiti Stormwater	349	169	(180)
- Rural Stormwater	5	0	(5)
<b>Sewerage</b>			
- Te Kuiti Sewerage	515	215	(300)
- Te Waitere Sewerage	5	5	0
- Benneydale Sewerage	65	3	(62)
- Piopio Sewerage	0	7	7
<b>Water Supply</b>			
- Te Kuiti Water	1,540	1,591	51
- Mokau Water	80	143	63
- Piopio Water	65	23	(42)
- Benneydale Water	3	0	(3)
<b>Roads and Footpaths</b>			
- Subsidised Roads	4,923	3,553	(1,370)
- Non subsidised Roads	340	72	(268)
<b>Corporate Support</b>			
- Corporate Support	683	380	(303)
- Internal Services Unit	0	7	7
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>10,838</b>	<b>8,428</b>	<b>(2,410)</b>

7.3 **Capital Expenditure** was \$8,428,000 for the period to 31 May 2015, of which \$3,625,000 (43%) related to Roads, \$1,827,000 (22%) related to Community Service, and \$1,757,000 (21%) related to Water Supply.

7.4 There has been expenditure of \$1,369,000 since the April 2015 financial report was presented to Council.

7.5 **Community Services**

- **Parks and Reserves** - renewal of the playground equipment at Redwood Park and Centennial Park playgrounds in Te Kuiti. Budgets carried forward from previous financial years was used.
- A budget of \$32,000 for Brook Park remains unspent, but is available if and when the Brook Park Committee agrees on projects to be carried out.
- **Housing and Other Property** - Restoration of the Railway buildings, including the exterior and structural parts is largely complete. As work has

progressed, Council changed the scope and timing of this project. Internal restoration contracts are currently being prepared.

- Construction is underway for the refurbishment of the upper level of the building located at 28 Taupiri Street for the relocation of the Community House. Grant funding of \$290,000 has been received from the Lottery Grants Board to part fund this project.
- **Recreation and Culture** – The budget of \$137,000 for building renewals upgrade will not be spent in current year as the upgrade was completed in 2013/14. The initial planning and design work for the Cultural and Arts Centre court yard renewal is currently underway and this work will now be completed in the 2015/16 year.
- **Public Amenities** - Renewal of car parking around the Cottage and Culture Centre was completed during the period. A contribution has been received from The Cottage to fund part of this expenditure. A contract for the new public toilets at Piopio has been let. There has been expenditure on railway security fencing and security cameras, which was not budgeted for.
- Land for the soakage field for the Mokau public toilets has been purchased from the Ministry of Education.

#### 7.6 Regulation

- Renewal of the access-way and installation of a ventilation system to the Dog Pound facility to make safe.

#### 7.7 Solid Waste Management

- Development of the Cell 2/3 at the District Landfill is largely complete. This project was started last financial year and it is expected its total cost will be approximately \$718,000 over the two financial years against a budget of \$774,000.
- High Wall shaping, which involves removing and shaping the earth above the landfill space to prevent landslides, for safety reasons, has been completed for a cost of \$50,000. The desired outcomes have been achieved for now, but the area is unstable and future works are likely to be required to ensure ongoing safety.

#### 7.8 Stormwater

- In addition to general renewal works and piping of open water drains, renewal projects were undertaken as a priority in Duke and George Streets and Hospital Road. Work commenced on these projects in the previous financial year and was completed in September 2014.
- Cotter Street stormwater piping contract documentation is currently being prepared. This work will be carried over to the 2015/16 financial year at an expected cost of \$45,000.

#### 7.9 Sewerage

- Minor treatment plant renewal work was undertaken in Te Kuiti, Benneydale and Piopio during the period.
- The budget includes expenditure to be carried out for pump station improvements and increasing capacity of the main sewer pipe crossing the

river near Esplanade Bridge in Te Kuiti to improve the operational performance of the main pump station. Carrying out of this work before June 2015 was dependent on the contractor and weather, but this work will now have to be carried over to the new financial year.

- A new chemical tank for Alumin for the Te Kuiti waste water plant was required to better achieve Health and Safety standards.
- Infiltration investigation work has commenced for Te Kuiti. This is ongoing work on the network to identify problems and where one is identified a work plan is developed to correct it. Two areas of significant infiltration have been identified and efforts to eradicate them are advanced.
- Investigations are underway around providing a staff room/ablutions block that is separate from the current laboratory and testing area at the Te Kuiti wastewater plant. This has been identified as a potential health and safety issue at the plant.

#### 7.10 Water Supply

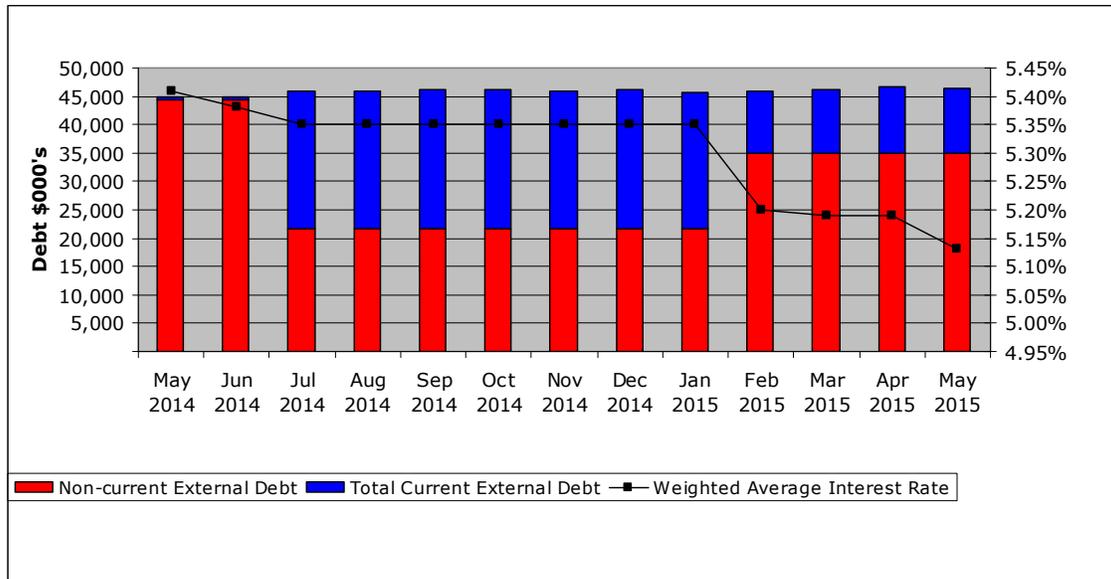
- Some minor renewal works have been carried for Te Kuiti Water Supply, including Kent Street, which is now completed. Due to work in Kent Street it was necessary to replace another section of pipe (approximately 85 metres) and install a rider main to improve service delivery.
- The Te Kuiti water treatment plant is progressing well, to date work includes the installation of two 100m<sup>3</sup> tanks and the main pumps and electrical equipment have been purchased ready for installation. The building pad for the new building is completed and the building is presently being assembled. Chemical tanks have been delivered. Tender evaluations are complete for the pipe work contract. It is expected that some capital expenditure will be carried over into the following year and be completed by December 2015.
- Further capital works have been carried out for the raw water storage dam in Mokau during the period, the dam is completed, connected and operating to expectation.
- Replacement pipeline along Tui Street, Piopio is about to be awarded to the contractor and was expected to be completed before the end of June 2015. However there has been a delay in this work because property boundaries have needed to be established as it is now necessary to construct a retaining wall to accommodate a section of pipe.

#### 7.11 Roads and Footpaths

- Capital expenditure on renewals worth \$573,000 has been completed since the April 2015 financial report.
- The main items of expenditure to date include emergency reinstatement (\$315,000) at Point Road Mokau, Tawa Street Te Kuiti (\$314,000) and Mangarino Road (\$307,000), unsealed road metalling (\$335,000), drainage renewal works (\$234,000), sealed road surfacing (\$1,069,000), pavement rehabilitation (\$336,000) and bridge repairs (\$323,000).

## 8.1 **SUMMARY TREASURY REPORT**

- 8.2 Set out below is a chart recording trends in Council's current and non-current debt for the year to May 2015. The trend line overlaid is the effective weighted average interest rate currently being paid on all loans.



- 8.3 Total borrowings were \$46,520,000 at 31 May 2015.
- 8.4 At 31 May 2015 the effective weighted average interest rate for all loans excluding finance leases, accrued interest and credit facility line fees was 5.13%. At 30 June 2014 it was 5.38%.
- 8.5 The reason for the decrease in weighted average interest rate between January and February (as shown in graph above) was that the margin applicable to the Wholesale Advance facility was reduced from 1.15% to 0.80% after negotiation with the bank. Total borrowings under this facility are \$19,000,000 as Term Advances and this reduction in margin represents annualised savings in interest costs of \$67,000. The further decrease in weighted average interest rate from April to May was due to interest rates on floating rate debt decreasing following quarterly interest rate resets.
- 8.6 The maturity date for the Wholesale Advance facility has been extended for two years from 1 July 2015 to 1 July 2017; this allowed the \$19,000,000 borrowed under this facility to be re-classified as non-current.
- 8.7 Treasury Management events since 31 May 2015**
- 8.8 This summary treasury report portrays the debt position of Council at the 31 May 2015. Since that date there have not been any significant treasury management transactions undertaken to the date of this report.

**Suggested Resolution**

The business paper on the Financial Report for the eleven months ended 31 May 2015 be received.



VIBHUTI CHOPRA  
**GROUP MANAGER – CORPORATE SERVICES**

Appendix 1      Cost of Service Statements  
Appendix 2      Balance Sheet as at 31 May 2015

## Appendix 1: Combined Cost of Service Statements

Summary Cost of Service (Amounts in \$1000's)	Actual	EAP Budget	YTD Budget	YTD Actual	Variance	%
	2013/14	2014/15	May 2015	May 2015	May 2015	Variance
<b>Direct Operating Expenditure</b>						
- Leadership	700	977	486	452	(34)	
- Community Service	1,648	2,075	1,684	1,574	(110)	
- Community Development	689	646	600	703	103	
- Regulation	270	104	97	94	(3)	
- Solid Waste Management	961	1,162	999	951	(48)	
- Stormwater Drainage	83	120	104	84	(20)	
- Resource Management	29	86	79	46	(33)	
- Sewerage	1,184	948	838	1,051	213	
- Water Supply	1,315	804	734	1,268	534	
- Roads and Footpaths	5,592	5,085	4,670	4,644	(26)	
<b>Total Direct Operating Expenditure</b>	<b>12,471</b>	<b>12,007</b>	<b>10,291</b>	<b>10,867</b>	<b>576</b>	<b>6%</b>
<b>Indirect Expenditure</b>						
- Allocated Costs	4,439	4,824	4,270	3,889	(381)	
- Interest	2,437	3,103	2,845	2,247	(598)	
- Depreciation	5,106	6,104	5,595	4,900	(695)	
<b>Total Indirect Expenditure</b>	<b>11,982</b>	<b>14,031</b>	<b>12,710</b>	<b>11,036</b>	<b>(1,674)</b>	<b>-13%</b>
<b>TOTAL EXPENDITURE</b>	<b>24,453</b>	<b>26,038</b>	<b>23,001</b>	<b>21,903</b>	<b>(1,098)</b>	<b>-5%</b>
<b>Operating Revenue</b>						
- Leadership	(146)	(146)	(125)	(169)	(44)	
- Community Service	(393)	(804)	(754)	(1,475)	(721)	
- Community Development	(194)	(78)	(74)	(138)	(64)	
- Regulation	(389)	(363)	(347)	(376)	(29)	
- Stormwater Drainage	(3)	0	0	0	0	
- Resource Management	(50)	(80)	(73)	(91)	(18)	
- Solid Waste Management	(899)	(1,090)	(1,000)	(904)	96	
- Sewerage	(1,154)	(828)	(757)	(1,482)	(725)	
- Water Supply	(1,291)	(1,486)	(584)	(621)	(37)	
- Roads and Footpaths	(6,628)	(5,985)	(5,379)	(5,079)	300	
<b>Total Operating Revenue</b>	<b>(11,147)</b>	<b>(10,860)</b>	<b>(9,093)</b>	<b>(10,335)</b>	<b>(1,242)</b>	<b>14%</b>
<b>Rates Revenue</b>						
- General Rate	(2,145)	(3,372)	(3,372)	(3,378)	(6)	
- UAGC	(3,983)	(3,117)	(3,117)	(3,108)	9	
- Targeted Rate	(10,747)	(10,850)	(10,850)	(10,868)	(18)	
- Rates Penalties	(422)	(410)	(380)	(363)	17	
<b>Total Rates Revenue</b>	<b>(17,297)</b>	<b>(17,749)</b>	<b>(17,719)</b>	<b>(17,717)</b>	<b>2</b>	<b>0%</b>
<b>TOTAL REVENUE</b>	<b>(28,444)</b>	<b>(28,609)</b>	<b>(26,812)</b>	<b>(28,052)</b>	<b>(1,240)</b>	<b>5%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>(3,991)</b>	<b>(2,571)</b>	<b>(3,811)</b>	<b>(6,149)</b>	<b>(2,338)</b>	<b>61%</b>

The reasons for variance have been set out in sections 4.4 and 4.5 in the main body of the report and further details are also contained in the COSS for each activity that follows.

## Governance: Leadership and Investments

<b>GOVERNANCE: LEADERSHIP AND INVESTMENTS</b> <b>(Amounts in \$1000's)</b>	<b>Actual</b> <b>2013/14</b>	<b>EAP Budget</b> <b>2014/15</b>	<b>YTD Budget</b> <b>May 2015</b>	<b>YTD Actual</b> <b>May 2015</b>	<b>Variance</b> <b>May 2015</b>	<b>%</b> <b>Variance</b>
<b>Direct Expenditure</b>						
- Representation	329	283	256	242	(14)	
- Strategic Planning & Policy Development	87	433	130	117	(13)	
- Monitoring & Reporting	174	141	8	0	(8)	
- Investments	110	120	92	93	1	
<b>Total Direct Expenditure</b>	<b>700</b>	<b>977</b>	<b>486</b>	<b>452</b>	<b>(34)</b>	<b>-7%</b>
- Allocated Costs	1,328	1,110	866	943	77	
- Interest	483	423	388	374	(14)	
- Depreciation		362	332	320	(12)	
<b>Total Operating Expenditure</b>	<b>2,511</b>	<b>2,872</b>	<b>2,072</b>	<b>2,089</b>	<b>17</b>	<b>1%</b>
<b>Operating Revenue</b>						
- Representation	(61)	(69)	(55)	(86)	(31)	
- Investments	(85)	(77)	(70)	(83)	(13)	
<b>Total Operating Revenue</b>	<b>(146)</b>	<b>(146)</b>	<b>(125)</b>	<b>(169)</b>	<b>(44)</b>	<b>35%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>2,365</b>	<b>2,726</b>	<b>1,947</b>	<b>1,920</b>	<b>(27)</b>	<b>-1%</b>

The budget for Representation excludes rates penalties revenue which is disclosed as part of rates revenue in the Combined Cost of Service Statement on the previous page.

**Net Operating Cost** for the Governance Activity was 1% (\$27,000) less than budget for the eleven months to 31 May 2015.

**Total Direct Expenditure** was 7% (\$34,000) less than budget for the period.

- This is the net effect of lower expenditure for Mayor's Office and Council and Committees, LTP and audit costs and customer satisfaction survey costs and increase in Policy development and communication costs.

**Operating Revenue** was 35% (\$44,000) more than forecast for the period.

- Interest revenue received which is earned from the Call Deposit account and Term Deposits was more than forecast. Interest revenue from Inframax Construction Ltd is also more than forecast due the interest rate charged by the bank and on charged by Council to the company is more than forecast.

## Community Service

COMMUNITY SERVICE (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Direct Expenditure</b>						
- Parks and Reserves	387	509	351	339	(12)	
- Housing and Other Property	286	430	329	260	(69)	
- Recreation and Culture	346	443	399	387	(12)	
- Public Amenities	516	545	461	493	32	
- Safety	113	148	144	95	(49)	
<b>Total Direct Expenditure</b>	<b>1,648</b>	<b>2,075</b>	<b>1,684</b>	<b>1,574</b>	<b>(110)</b>	<b>-7%</b>
- Allocated Costs	824	787	721	680	(41)	
- Interest	73	139	128	76	(52)	
- Depreciation	642	729	668	605	(63)	
<b>Total Operating Expenditure</b>	<b>3,187</b>	<b>3,730</b>	<b>3,201</b>	<b>2,935</b>	<b>(266)</b>	<b>-8%</b>
<b>Operating Revenue</b>						
- Parks and Reserves	(6)	(5)	(2)	(50)	(48)	
- Housing and Other Property	(212)	(636)	(601)	(1,205)	(604)	
- Recreation and Culture	(100)	(109)	(101)	(114)	(13)	
- Public Amenities	(40)	(54)	(50)	(97)	(47)	
- Safety	(35)	0	0	(9)	(9)	
<b>Total Operating Revenue</b>	<b>(393)</b>	<b>(804)</b>	<b>(754)</b>	<b>(1,475)</b>	<b>(721)</b>	<b>96%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>2,794</b>	<b>2,926</b>	<b>2,447</b>	<b>1,460</b>	<b>(987)</b>	<b>-40%</b>

**Net Operating Cost** for the Community Service Activity was 40% (\$987,000) below budget for the period to 31 May 2015.

**Direct Expenditure** was 7% (\$110,000) less than budget for the period.

- Housing and Other Property expenditure was less than budget. Rates paid on Council properties were less than what was expected at the time the budgets were prepared.
- Repairs and maintenance expenditure were less than budget for Housing and Other Property and Recreation and Culture. These costs are incurred on an as needed basis.
- Expenditure on Safety is less than budget due to costs for the Fire Group establishment and Civil defence programme not yet being spent.

**Operating Revenue** was 96% (\$721,000) more than forecast for the period.

- Lease revenue has been received for the lease of reserve land for the Speedies Road Hydro project. The revenue was backdated to the start of the lease in January 2010.
- Grant revenue of \$553,000 was received for the restoration of the railway building. This revenue is included as part of Housing and Other Properties. The grant revenue budget was included in the 2013/14 EAP. A Trust Waikato donation of \$38,000 was received in December for the railway building project. A \$60,000 grant has been received from the North King Country Development Trust for the development of the community space area.
- In addition to this a contribution of \$43,000 was also received from Piopio Hall committee towards the capital expenditure associated with the Piopio Hall.
- Swimming Pool revenue, which is included in Recreation and Culture has exceeded full year forecast by \$19,000.
- A contribution of \$40,000 is receivable from the Cottage for their share of the new car park adjacent to their premises on the Esplanade, Te Kuiti. This revenue is included as part of Public Amenities.
- A grant of \$290,000 has been received from the Lottery Grants Board for development of the second floor of the Taupiri Street building.

## Community Development

COMMUNITY DEVELOPMENT (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Direct Expenditure</b>						
- Community Support	436	454	437	539	102	
- Youth Engagement	115	5	5	37	32	
- Sister City	6	2	2	4	2	
- District Development	132	185	156	123	(33)	
- Agencies	0	1	0	0	0	
<b>Total Direct Expenditure</b>	<b>689</b>	<b>646</b>	<b>600</b>	<b>703</b>	<b>103</b>	<b>17%</b>
- Allocated Costs	506	445	408	454	46	
- Interest	1	1	1	1	0	
- Depreciation	5	5	4	4	0	
<b>Total Expenditure</b>	<b>1,201</b>	<b>1,097</b>	<b>1,013</b>	<b>1,162</b>	<b>149</b>	<b>15%</b>
<b>Operating Revenue</b>						
- Community Support	0	0	0	0	0	
- Youth Engagement	(134)	(5)	(5)	(70)	(65)	
- Sister City	(3)	0	0	(2)	(2)	
- District Development	(35)	(54)	(52)	(48)	4	
- Agencies	(22)	(19)	(17)	(18)	(1)	
<b>Total Operating Revenue</b>	<b>(194)</b>	<b>(78)</b>	<b>(74)</b>	<b>(138)</b>	<b>(64)</b>	<b>86%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>1,007</b>	<b>1,019</b>	<b>939</b>	<b>1,024</b>	<b>85</b>	<b>9%</b>

**Net Operating Cost** for the Community Development Activity was 9% (\$85,000) more than budget for the period to 31 May 2015.

**Direct Expenditure** was 17% (\$103,000) more than budget for the period.

- Community Support expenditure was more than budget due to rates and penalty remission applications being processed. Total remissions to date are \$345,000 compared to a full year budget of \$245,000; the reason for the increase is that remissions have been applied at 100% to a number of multiple owned unproductive Maori land properties for both current year rates and rates arrears. These remissions had been applied previously on part of these properties that were assessed as being unproductive on behalf of the owners who cannot be located. These properties are also granted 100% remission by the Waikato Regional Council.
- Youth Engagement expenditure was more than budget due to expenditure on 'Reducing Risk Project' being incurred. This expenditure is offset by grant revenue of \$36,000 received from ACC to fund this project. This project was not included in the 2014/15 budgets.
- District Development is less than forecast due to lower expenditure on consultancy for Economic Development. Expenditure for District Development and Events co-ordination is also less than year to date budget.

**Operating Revenue** was 86% (\$64,000) more than forecast for the period.

- Youth Engagement revenue was more than budget due to the grant revenue of \$36,000 received from ACC for the Reducing Risk Project and \$32,000, including \$5,000 of grant revenue carried over from prior year for Youth Projects.

## Regulation

REGULATION (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Direct Expenditure</b>						
- Regulation	270	104	97	94	(3)	
<b>Total Direct Expenditure</b>	<b>270</b>	<b>104</b>	<b>97</b>	<b>94</b>	<b>(3)</b>	<b>-3%</b>
- Allocated Costs	429	577	529	514	(15)	
- Interest	2	1	1	2	1	
- Depreciation	2	2	2	2	0	
<b>Total Expenditure</b>	<b>703</b>	<b>684</b>	<b>629</b>	<b>612</b>	<b>(17)</b>	<b>-3%</b>
<b>Operating Revenue</b>						
- Regulation	(389)	(363)	(347)	(376)	(29)	
<b>Total Operating Revenue</b>	<b>(389)</b>	<b>(363)</b>	<b>(347)</b>	<b>(376)</b>	<b>(29)</b>	<b>8%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>314</b>	<b>321</b>	<b>282</b>	<b>236</b>	<b>(46)</b>	<b>-16%</b>

**Net Operating Surplus** for the Regulation Activity was 16% (\$46,000) less than budget for the period to 31 May 2015.

**Direct Expenditure** was 3% (\$3,000) less than budget for the period.

**Operating Revenue** was 8% (\$29,000) more than forecast for the period.

- Alcohol licensing revenue was \$14,000 more than forecast for the period.
- Building Control revenue was \$11,000 more than forecast for the period. During the eleven months to April; 139 building consents have been issued, compared to 130 issued for the same period last year.

## Resource Management

RESOURCE MANAGEMENT (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Direct Expenditure</b>						
- District Plan Administration	29	86	79	46	(33)	
<b>Total Direct Expenditure</b>	<b>29</b>	<b>86</b>	<b>79</b>	<b>46</b>	<b>(33)</b>	<b>-42%</b>
- Allocated Costs	101	91	83	82	(1)	
<b>Total Expenditure</b>	<b>130</b>	<b>177</b>	<b>162</b>	<b>128</b>	<b>(34)</b>	<b>-21%</b>
<b>Operating Revenue</b>						
- District Plan Administration	(50)	(80)	(73)	(91)	(18)	
<b>Total Operating Revenue</b>	<b>(50)</b>	<b>(80)</b>	<b>(73)</b>	<b>(91)</b>	<b>(18)</b>	<b>25%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>80</b>	<b>97</b>	<b>89</b>	<b>37</b>	<b>(52)</b>	<b>-58%</b>

**Net Operating Cost** for the Resource Management Activity was 58% (\$52,000) below budget for the period to 31 May 2015.

**Direct Expenditure** was 42% (\$33,000) less than budget for the period.

- Budgeted costs for legal expenses and consultants fees, which are usually on charged to resource consent applicants were not spent during the period.

**Operating Revenue** was 25% (\$18,000) more than forecast for the period.

## Solid Waste Management

<b>SOLID WASTE MANAGEMENT</b> <b>(Amounts in \$1000's)</b>	<b>Actual</b> <b>2013/14</b>	<b>EAP Budget</b> <b>2014/15</b>	<b>YTD Budget</b> <b>May 2015</b>	<b>YTD Actual</b> <b>May 2015</b>	<b>Variance</b> <b>May 2015</b>	<b>%</b> <b>Variance</b>
<b>Direct Expenditure</b>						
- Collection	270	285	262	257	(5)	
- Landfill Management	691	877	737	694	(43)	
<b>Total Direct Expenditure</b>	<b>961</b>	<b>1,162</b>	<b>999</b>	<b>951</b>	<b>(48)</b>	<b>-5%</b>
- Allocated Costs	364	277	254	244	(10)	
- Interest	257	284	260	223	(37)	
- Depreciation	89	70	64	65	1	
<b>Total Expenditure</b>	<b>1,671</b>	<b>1,793</b>	<b>1,577</b>	<b>1,483</b>	<b>(94)</b>	<b>-6%</b>
<b>Operating Revenue</b>						
- Collection	(128)	(120)	(110)	(123)	(13)	
- Landfill Management	(771)	(970)	(890)	(781)	109	
<b>Total Operating Revenue</b>	<b>(899)</b>	<b>(1,090)</b>	<b>(1,000)</b>	<b>(904)</b>	<b>96</b>	<b>-10%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>772</b>	<b>703</b>	<b>577</b>	<b>579</b>	<b>2</b>	<b>0%</b>

**Net Operating Cost** for the Solid Waste Management Activity was \$2,000 more than budget for the period to 31 May 2015.

**Direct Expenditure** was 5% (\$48,000) less than budget for the period.

- Expenditure was less than budget due to the purchase of Emissions Trading Scheme units being significantly less than forecast. WDC purchased ERU's to offset this years obligation which are significantly cheaper than forecast.

**Operating Revenue** was 10% (\$96,000) less than forecast for the period as the volume of rubbish into the landfill was less than estimated volumes. Recycling quantities have been increasing thus contributing to the downward trend of rubbish volumes.

## Stormwater Drainage

<b>STORMWATER DRAINAGE</b> <b>(Amounts in \$1000's)</b>	<b>Actual</b> <b>2013/14</b>	<b>EAP Budget</b> <b>2014/15</b>	<b>YTD Budget</b> <b>May 2015</b>	<b>YTD</b> <b>Actual</b> <b>May 2015</b>	<b>Variance</b> <b>May 2015</b>	<b>%</b> <b>Variance</b>
<b>Direct Expenditure</b>						
- Te Kuiti Stormwater	79	111	95	79	(16)	
- Rural Stormwater	4	9	9	5	(4)	
<b>Total Direct Expenditure</b>	<b>83</b>	<b>120</b>	<b>104</b>	<b>84</b>	<b>(20)</b>	<b>-19%</b>
- Allocated Costs	111	94	86	70	(16)	
- Interest	6	6	6	5	(1)	
- Depreciation	172	179	164	158	(6)	
<b>Total Expenditure</b>	<b>372</b>	<b>399</b>	<b>360</b>	<b>317</b>	<b>(43)</b>	<b>-12%</b>
<b>Operating Revenue</b>						
- Te Kuiti Stormwater	(3)	0	0	0	0	
<b>Total Operating Revenue</b>	<b>(3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>369</b>	<b>399</b>	<b>360</b>	<b>317</b>	<b>(43)</b>	<b>-12%</b>

**Net Operating Cost** for the Stormwater Drainage Activity was 12% (\$43,000) less than budget for the period to 31 May 2015.

**Direct Expenditure** was 19% (\$20,000) less than budget for the period as sampling and maintenance costs are tracking less than expected.

## Sewerage and Treatment and Disposal of Sewage

SEWERAGE AND TREATMENT AND DISPOSAL OF SEWAGE (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Direct Expenditure</b>						
- Te Kuiti	1,041	818	718	941	223	
- Te Waitere	15	18	17	16	(1)	
- Benneydale	62	55	50	43	(7)	
- Piopio	66	57	53	51	(2)	
<b>Total Direct Expenditure</b>	<b>1,184</b>	<b>948</b>	<b>838</b>	<b>1,051</b>	<b>213</b>	<b>25%</b>
- Allocated Costs	362	652	597	401	(196)	
- Interest	511	777	712	506	(206)	
- Depreciation	714	1,021	936	655	(281)	
<b>Total Expenditure</b>	<b>2,771</b>	<b>3,398</b>	<b>3,083</b>	<b>2,613</b>	<b>(470)</b>	<b>-15%</b>
<b>Operating Revenue</b>						
- Te Kuiti	(1,146)	(825)	(755)	(1,480)	(725)	
- Benneydale	(1)	(2)	(1)	(1)	0	
- Piopio	(7)	(1)	(1)	(1)	0	
<b>Total Operating Revenue</b>	<b>(1,154)</b>	<b>(828)</b>	<b>(757)</b>	<b>(1,482)</b>	<b>(725)</b>	<b>96%</b>
<b>Subsidy Revenue</b>						
- Te Kuiti	0	0	0	0	0	
- Benneydale	0	0	0	0	0	
- Piopio	0	0	0	0	0	
<b>Total Subsidy Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Total Revenue</b>	<b>(1,154)</b>	<b>(828)</b>	<b>(757)</b>	<b>(1,482)</b>	<b>(725)</b>	<b>96%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>1,617</b>	<b>2,570</b>	<b>2,326</b>	<b>1,131</b>	<b>(1,195)</b>	<b>-51%</b>

**Net Operating Cost** for the Sewerage Activity was 51% (\$1,195,000) below budget for the period to 31 May 2015.

**Direct Expenditure** was 25% (\$213,000) more than budget for the period.

- The budgets assumed that the costs for all operations and maintenance works for both reticulation and treatment plant would be carried in-house out rather than by external contract. To date this change has been partly implemented. Currently the external contractor carries operation and maintenance of the reticulation, with in-house staff operating the plants. This has resulted in the direct expenditure for Te Kuiti being higher than budget. And consequently, the allocated costs for this activity are less than budget and offset the over spend in direct expenditure.
- As well as additional contractor expenses, there was an increase in the materials required and additional maintenance costs incurred for Te Kuiti during the period. Repairs have been carried out on the Reactor curtain and other equipment, required due to wear and tear. Additional aeration has been required for the sludge pond.
- Costs were also incurred in pipeline maintenance for William, Edward and Hill Streets in Te Kuiti.
- Expenditure on chemicals for Te Kuiti was \$120,000 more than forecast and additional sampling has been required for compliance of the Ultra Violet plant.
- Infiltration repairs were undertaken when identified and there were corresponding savings in power consumption. Pumps are working less and fewer overflows are occurring during heavy rain. Another area of significant inflow has been repaired. Two new sites of infiltration have been identified and work is in progress to correct this.

- Generally costs for higher risk operational and maintenance works have increased due to greater emphasis on health and safety aspects. These costs have been passed on by suppliers and contractors.

**Total Revenue** was 96% (\$725,000) more than forecast for the period.

- Trade Waste revenue was more for the period than forecast. It should be noted, however that the larger trade waste users are actively pursuing cleaner levels of discharge, which could impact on future revenue levels. The extra revenue is from exceedance charges, where nutrient loads discharged are more than allowable limits. One of the meat companies is disputing some of these charges.

## Water Supply

<b>WATER SUPPLY</b> <b>(Amounts in \$1000's)</b>	<b>Actual</b> <b>2013/14</b>	<b>EAP Budget</b> <b>2014/15</b>	<b>YTD Budget</b> <b>May 2015</b>	<b>YTD Actual</b> <b>May 2015</b>	<b>Variance</b> <b>May 2015</b>	<b>%</b> <b>Variance</b>
<b>Direct Expenditure</b>						
- Te Kuiti	826	542	492	821	329	
- Mokau	175	80	75	142	67	
- Piopio	262	127	117	251	134	
- Benneydale	52	55	50	54	4	
<b>Total Direct Expenditure</b>	<b>1,315</b>	<b>804</b>	<b>734</b>	<b>1,268</b>	<b>534</b>	<b>73%</b>
- Allocated Costs	357	791	726	501	(225)	
- Interest	188	422	387	201	(186)	
- Depreciation	417	570	523	382	(141)	
<b>Total Expenditure</b>	<b>2,277</b>	<b>2,587</b>	<b>2,370</b>	<b>2,352</b>	<b>(18)</b>	<b>-1%</b>
<b>Operating Revenue</b>						
- Te Kuiti	(601)	(627)	(544)	(617)	(73)	
- Mokau	(48)	(30)	(15)	(1)	14	
- Piopio	(25)	(26)	(13)	(5)	8	
- Benneydale	(17)	(23)	(12)	0	12	
<b>Total Operating Revenue</b>	<b>(691)</b>	<b>(706)</b>	<b>(584)</b>	<b>(623)</b>	<b>(39)</b>	<b>7%</b>
<b>Subsidy Revenue</b>						
- Te Kuiti	0	(780)	0	0	0	
- Mokau	(574)	0	0	0	0	
- Piopio	0	0	0	0	0	
- Benneydale	(26)	0	0	2	2	
<b>Total Subsidy Revenue</b>	<b>(600)</b>	<b>(780)</b>	<b>0</b>	<b>2</b>	<b>2</b>	
<b>Total Revenue</b>	<b>(1,291)</b>	<b>(1,486)</b>	<b>(584)</b>	<b>(621)</b>	<b>(37)</b>	<b>6%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>986</b>	<b>1,101</b>	<b>1,786</b>	<b>1,731</b>	<b>(55)</b>	<b>-3%</b>

**Net Operating Cost** for the Water Supply Activity was 3% (\$55,000) less than budget for the period to 31 May 2015.

**Direct Expenditure** was 73% (\$534,000) more than budget for the period.

- The budgets assumed that the costs for all operations and maintenance works for both reticulation and treatment plant would be carried in-house out rather than by external contract. To date this change has been partly implemented. Currently the external contractor carries operation and maintenance of the reticulation, with in-house staff operating the plants. This has resulted in the direct expenditure for Te Kuiti being higher than budget. As additional organisational capacity has not been fully resourced, the allocated costs for this activity are less than budget and offset the over spend in direct expenditure.
- In addition to the change described above, there were additional operational and maintenance costs incurred for both the water treatment plant and reticulation systems for Te Kuiti, Piopio and Mokau. For Te Kuiti there was under expenditure of \$108,000 for Chemicals and Electricity compared with budget.
- Chemicals were changed for Piopio because there were problems with the filters fouling using the existing chemicals resulting in \$33,000 more being spent than budget.
- Generally costs for higher risk operational and maintenance works have increased due to greater emphasis health and safety aspects. These costs have been passed on by suppliers and contractors.
- Two unforeseen power supply related incidents caused major problems at Piopio, Mokau and Benneydale water treatment plants, where both SCADA and Ultra Violet filtration units were affected. Operational practices were changed, with additional safeguards implemented and equipment repaired.

- Water leak investigations were undertaken in Piopio to find leaks that were difficult to identify. Repairs were costly due to location and traffic management requirements.

**Total Revenue** was 6% (\$37,000) more than forecast for the period.

- Metered water revenue for Te Kuiti was more than forecast due to greater consumption by the major commercial consumers.
- Metered water revenue for Mokau, Piopio and Benneydale was less than anticipated due to the reduced consumption of water.
- Subsidy revenue of \$780,000 from the Ministry of Health was forecast for the year (for the TK Water Treatment Plant upgrade) on the basis that the project will be completed in this financial year. However, this revenue is now forecast to be received in the next financial year, after the completion of the project.

## Roads and Footpaths

ROADS AND FOOTPATHS (Amounts in \$1000's)	Actual 2013/14	EAP Budget 2014/15	YTD Budget May 2015	YTD Actual May 2015	Variance May 2015	% Variance
<b>Direct Expenditure</b>						
- Subsidised Roads	5,412	4,907	4,503	4,472	(31)	
- Non Subsidised Roads	180	178	167	172	5	
<b>Total Direct Expenditure</b>	<b>5,592</b>	<b>5,085</b>	<b>4,670</b>	<b>4,644</b>	<b>(26)</b>	<b>-1%</b>
- Allocated Costs	88	0	0	0	0	
- Interest	916	1,050	962	859	(103)	
- Depreciation	3,065	3,166	2,902	2,709	(193)	
<b>Total Expenditure</b>	<b>9,661</b>	<b>9,301</b>	<b>8,534</b>	<b>8,212</b>	<b>(322)</b>	<b>-4%</b>
<b>Operating Revenue</b>						
- Subsidised Roads	(6,552)	(5,911)	(5,334)	(5,026)	308	
- Non Subsidised Roads	(76)	(74)	(45)	(53)	(8)	
<b>Total Operating Revenue</b>	<b>(6,628)</b>	<b>(5,985)</b>	<b>(5,379)</b>	<b>(5,079)</b>	<b>300</b>	<b>-6%</b>
<b>Net Operating Cost/(Surplus)</b>	<b>3,033</b>	<b>3,316</b>	<b>3,155</b>	<b>3,133</b>	<b>(22)</b>	<b>-1%</b>
Subsidised Roads Maintenance	5,412	4,907	4,503	4,472	(31)	
Subsidised Roads Capital	5,026	4,923	4,039	3,553	(486)	
<b>Combined Maintenance and Capital</b>	<b>10,438</b>	<b>9,830</b>	<b>8,542</b>	<b>8,025</b>	<b>(517)</b>	<b>-6%</b>
<b>Subsidy Revenue for Subsidised Roads</b>	<b>(6,336)</b>	<b>(5,780)</b>	<b>(5,224)</b>	<b>(4,915)</b>	<b>309</b>	<b>-6%</b>

**Net Operating Cost** for the Roads and Footpaths Activity was 1% (\$22,000) less than budget for the period to 31 May 2015.

**Direct Expenditure** was 1% (\$26,000) less than budget for the period.

- Overall there is a minor variance to budget for direct expenditure.
- Generally expenditure in each work category is adjusted as the year progresses so that total expenditure as a whole will not exceed budget by year end.

**Operating Revenue** was 6% (\$300,000) less than forecast for the period.

- Subsidy revenue is based on both maintenance and capital expenditure and for most work categories the subsidy rate is 59%. Subsidy revenue is less than forecast for the period due to capital expenditure being less than forecast.

## Appendix 2: Balance Sheet as at 31 May 2015

<b>BALANCE SHEET</b> (Amounts in \$1000's)	<b>Actual Position</b> 30 June 2014	<b>Actual Position</b> 31 May 2015	<b>Variance from</b> 31 May 2015	<b>Long Term Plan</b> 30 Jun 2015	<b>Variance from LTP</b>
<b>Public Equity</b>					
- Retained Earnings	200,063	206,212	6,149	204,958	(1,254)
- Other Reserves	9,083	9,083	0	2,146	(6,937)
- Revaluation Reserve	70,465	70,465	0	71,401	936
<b>TOTAL PUBLIC EQUITY</b>	<b>279,611</b>	<b>285,760</b>	<b>6,149</b>	<b>278,505</b>	<b>(7,255)</b>
<b>Current Assets</b>					
- Cash and Cash Equivalents	955	4,384	3,429	100	(4,284)
- Inventories	34	34	0	38	4
- Land Subdivision Inventories	0	0	0	985	985
- Other Financial Assets	2	2	0	2	0
- Debtors and Other Receivables	5,258	4,744	(514)	4,953	209
- Assets Held for Sale	67	67	0	0	(67)
- Derivative Financial Instruments	0	0	0	0	0
<b>Total Current Assets</b>	<b>6,316</b>	<b>9,231</b>	<b>2,915</b>	<b>6,078</b>	<b>(3,153)</b>
<b>Current Liabilities</b>					
- Creditors and Other Payables	3,490	2,053	(1,437)	3,863	1,810
- Current Portion of Borrowings	380	11,473	11,093	671	(10,802)
- Provisions	17	17	0	51	34
- Employee Entitlements	505	537	32	485	(52)
- Derivative Financial Instruments	171	171	0	118	(53)
<b>Total Current Liabilities</b>	<b>4,563</b>	<b>14,251</b>	<b>9,688</b>	<b>5,188</b>	<b>(9,063)</b>
<b>NET WORKING CAPITAL</b>	<b>1,753</b>	<b>(5,020)</b>	<b>(6,773)</b>	<b>890</b>	<b>5,910</b>
<b>Non Current Assets</b>					
- Property Plant and Equipment	318,349	321,781	3,432	328,423	6,642
- Intangible Assets	88	88	0	85	(3)
- Forestry Assets	44	44	0	39	(5)
- Investment Properties	635	635	0	657	22
- Assets Held for Sale	889	889	0	0	(889)
- Other Financial Assets	3,389	3,389	0	837	(2,552)
- Derivative Financial Instruments	409	409	0	54	(355)
<b>Total Non Current Assets</b>	<b>323,803</b>	<b>327,235</b>	<b>3,432</b>	<b>330,095</b>	<b>2,860</b>
<b>Non Current Liabilities</b>					
- Creditors and Other Payables	618	618	0	0	(618)
- Borrowings	44,485	35,047	(9,438)	51,449	16,402
- Employee Entitlements	61	8	(53)	65	57
- Provisions	781	782	1	928	146
- Derivative Financial Instruments	0	0	0	38	38
<b>Total Non Current Liabilities</b>	<b>45,945</b>	<b>36,455</b>	<b>(9,490)</b>	<b>52,480</b>	<b>16,025</b>
<b>NET ASSETS</b>	<b>279,611</b>	<b>285,760</b>	<b>6,149</b>	<b>278,505</b>	<b>(7,255)</b>

**Document No:** 365333**File No:** 054/001**Report To: Council****Meeting Date:** 23 June 2015**Subject: Civic Assurance – Annual Report 2014 and 2015 Statement of Intent**

### **Purpose of Report**

- 1.1 The purpose of this paper is to present the Civic Assurance Annual Report 2014 and 2015 Statement of Intent.

### **Local Government Act S.11A Considerations**

- 2.1 There are no considerations relating to Section 11A of the Local Government Act in regards to this business paper.

### **Risk Considerations**

- 3.1 No risks have been identified in regards to matters contained in this business paper.

### **Background**

- 4.1 Civic Assurance is the trading name of the New Zealand Local Government Insurance Corporation Ltd (NZLGIC). It has been trading for over 50 years.
- 4.2 It is owned by Local Government and is dedicated to servicing local government offering Council's and CCO's a range of insurance products and financial services.
- 4.3 Civic Assurance is also the promoter and administrator of SuperEasy and SuperEasy KiwiSaver Superannuation Schemes, the Administration Manager for the Local Authority Protection Programme Disaster Fund (LAPP), the Fund Manager for Riskpool, a 25% shareholder in Local Government Online Ltd, and the owner and property manager of Civic Assurance House (a nine-storey building on Lambton Quay in Wellington).
- 4.4 SuperEasy and Super Easy KiwiSaver Superannuation Schemes are local government superannuation schemes available to people employed by local authorities or CCO's, or their immediate families. The funds held under management in the SuperEasy and SuperEasy KiwiSaver schemes was \$218 million at May 2015 (2014: \$172 million).

- 4.5 LAPP Disaster Fund is a cash accumulation mutual pool. Civic Assurance is the Fund's Administration Manager. The LAPP Fund was established in 1993, to help its New Zealand local authority members pay their share of infrastructure replacement costs for water, sewage and other essential services damaged by natural disaster.

Since 1991, central and local government has shared responsibility for these costs. Beyond a threshold, central government will pay 60% of the restoration costs, leaving local authorities 40%.

There are currently 33 local authorities (2014: 46) that are Fund members.

- 4.6 Riskpool is a mutual liability trust fund created by New Zealand local authorities to provide long-term, affordable professional indemnity and public liability protection solely for local government organisations. It is based on similar mutual funds established by local government bodies around the world as an alternative to conventional insurance products and the insurance industry's inconsistency in scope of cover, pricing, claims handling and capacity. Civic Assurance is the Fund Manager and Scheme Manager for Riskpool.

The Riskpool membership, which consists of 54 New Zealand local authorities (2014: 56), has the benefit of joining forces with the Australian local government community. As a collective (in excess of 650 local authorities) we have significant buying power and we are therefore able to secure competitive reinsurance rates.

- 4.7 Local Government Online (LGOL) is owned and supported in its work of e-facilitation & e-encouragement within the local government sector by its shareholding organisations; Local Government New Zealand, the Society of Local Government Managers, Association of Local Government Information and Civic Assurance. While LGOL has separate functions from its shareholders it works very closely with them and for the good of the local government sector.

#### 4.8 Shareholders

- 4.9 67 out of 78 New Zealand Council's (plus TrustPower holding 1.2% at 31 December 2014) are shareholders of Civic Assurance. Waitomo District Council holds 16,940 shares which equates to 0.2% of the shareholding.
- 4.10 The two largest shareholders are Auckland Council (19.9%) and Christchurch City Council (12.9%).

### Annual Report 2014

- 5.1 Attached to, and forming part of, this business paper are the following extracts from the Civic Assurance Annual Report for the year ended 30 June 2014.

#### 5.2 Statement of Comprehensive Income

- 5.3 The key results from the Statement of Comprehensive Income are summarised in the following table with comparative years:

Civic Assurance - Group	2014	2013	2012	2011	2010	2009
Statement of Comprehensive Income	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Net Operating Revenue	6,524	4,112	2,586	(3,131)	(3,438)	4,775
Operating Expenditure	5,819	4,798	3,850	3,207	3,109	2,865
<b>Surplus(Loss) before Tax and Other</b>						
<b>Comprehensive Income</b>	<b>705</b>	<b>(686)</b>	<b>(1,264)</b>	<b>(6,338)</b>	<b>(6,547)</b>	<b>1,910</b>

- 5.4 Civic Assurance Group made a surplus before taxation and other comprehensive income of \$0.7 million (2013: \$0.7 million loss). This was a positive result after four years of losses. The losses experienced in 2010-2013 were a direct result of the 2010 and 2011 earthquakes.
- 5.5 Included within the surplus figure was:
- Revenue from expense and legal fee recoveries of \$3.25 million (2013: nil)
  - Expenditure for one off legal fees of \$1.7 million (2013: \$0.6 million) relating to the reinsurance recoveries.
- 5.6 The magnitude of the Canterbury earthquakes has had a significant impact on the operational and financial results of the company. As a consequence of the Canterbury earthquakes the Company has been unable to obtain property reinsurance from 1 July 2011 on suitable terms and therefore has ceased providing material damage cover since that date.
- 5.7 Further to this, the Company's claim payable credit rating was reduced by AM Best in 2013 to "B+ (Good) with negative outlook". This rating remains unchanged at 31 December 2014.
- 5.8 Civic Assurance continues to operate with a provisional insurance licence and in practice the Company will not be able to apply for a full insurance licence until its Canterbury earthquake claims are settled. The Company requires the full insurance licence before it can issue new insurance policies.
- 5.9 Civic Assurance has settled its claim in full for Environment Canterbury. Waimakariri District Council claim should be settled in the coming months and mediation to settle Christchurch City Council is scheduled for September 2015. If successful, all of Civic Assurance's earthquake claims should be settled before the end of 2015.

#### 5.10 **Statement of Financial Position**

- 5.11 The key results from Statement of Financial Position are summarised in the following table with comparative years:

<b>Civic Assurance - Group</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Statement of Financial Position</b>	<b>\$000's</b>	<b>\$000's</b>	<b>\$000's</b>	<b>\$000's</b>	<b>\$000's</b>	<b>\$000's</b>
Total Assets	523,413	608,435	846,603	738,855	106,440	28,462
Total Liabilities	510,162	596,081	833,629	728,772	90,966	8,977
<b>Total Equity</b>	<b>13,251</b>	<b>12,354</b>	<b>12,974</b>	<b>10,083</b>	<b>15,474</b>	<b>19,485</b>

- 5.12 Total Equity increased by \$0.9 million to \$13.251 million at 31 December 2014.
- 5.13 The Canterbury earthquakes have had a significant impact on the financial position of the company over 3,000 claims being submitted.
- 5.14 Despite the considerable gross claims costs, the financial impact on the Company has been significantly mitigated by the existing catastrophe reinsurance treaties in place at 30 June 2011. These treaties limit the Company's net claims liability to \$3.6 million net incurred claims per event. At 31 December 2014 the Company had settled \$8.6 million of its exposure leaving the Company's net outstanding liability at \$4.2m of which \$3.3 million relates to the Canterbury earthquakes.

- 5.15 The Directors Report states that it will take several years for Civic Assurance to rebuild its insurance portfolio and that currently it is able to maintain its running costs through investment income and administration fees from its associated entities.

### Statement of Intent 2015

- 6.1 For Council's information, attached to this business paper is a copy of the Company's Statement of Intent for the year ended 31 December 2015. There have been no changes to the performance targets and measures from the previous year.
- 2.2 The Company's performance targets and measures for the 2015 calendar year are:
- (a) To resolve Civic's disputes with its reinsurers and settle its Canterbury earthquake claims.
  - (b) To obtain and maintain a claims paying ability rating from rating agency AM Best of 'A-(Excellent)' or better.
  - (c) To provide superannuation services to at least 90% of local authorities.
  - (d) To continue to be an efficient and effective administration manager for Civic Property Pool, Riskpool and LAPP.

### Suggested Resolution

The business paper on Civic Assurance Annual Report 2014 and 2015 Statement of Intent be received.

VIBHUTI CHOPRA  
**GROUP MANAGER CORPORATE SERVICES**

8 June 2015

- Attachment:      1    Civic Assurance 2014 Annual Report (#366110)  
                          2    Civic Assurance - 2015 Statement of Intent (#362519)

2014

ANNUAL  
REPORT

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AM Best Rating at 1 May 2015: B+ (Good), Negative Outlook

Your Directors and Chief Executive have pleasure in submitting the 54th Annual Report of the affairs of the Company for the year ended 31 December 2014, which is to be presented at the Annual General Meeting of Members in June 2015.

## 1. FINANCIAL STRENGTH

Civic made a before-tax profit in 2014 of \$1,098,765. This is a welcome change after four years of losses. The net asset value per share has increased from \$1.12 at the end of 2013 to \$1.20 as at 31 December 2014.

Civic's losses in 2010-13 were a direct result of the 2010-11 Canterbury earthquakes. Claims in 2010 and in particular the 4 September 2010 Canterbury earthquake reduced Civic's capital base in the 2010 year from \$19.5 million to \$15.5 million. The 2011 February and June earthquakes contributed gross losses of another \$7.2 million. At 31 December 2014 Civic's capital base was \$13.25 million, up \$0.9 million on the figure from 31 December 2013.

Environment Canterbury's claim for \$36 million (including GST) was settled in April 2015. Waimakariri District Council's claim should be settled in the next few months. A mediation to settle Christchurch City Council's 2010-11 earthquake claims is scheduled for September 2015, so all of Civic's Canterbury earthquake claims could be settled before the end of 2015.

Civic's claims paying ability rating from AM Best on 1 May 2015 was B+ (Good) with negative outlook, so unchanged from this time last year.

## 2. OPERATIONS 2014

### *Insurance Business*

Civic continues to operate with a provisional insurance licence and in practice will not be able to apply for a full insurance licence, which it requires before it can issue new insurance policies, until its Canterbury earthquake claims are settled.

An arbitration between Civic and AIG, one of Civic's 2010-11 reinsurers, took place in March 2014. Civic, as it expected, won this arbitration.

Civic's arbitration with R+V Versicherung AG, another of Civic's 2010-11 reinsurers, took place in December 2014. As with its arbitration with AIG, Civic also expects to win this arbitration.

It has been agreed between Civic and R+V that the result of the Civic / R+V arbitration will not be made available to the parties until after the September 2015 mediation with Christchurch City Council has taken place. If this mediation does not lead to a global settlement and Civic does not get the reinsurance policy wording interpretation from the arbitrators that it expects, then it has a very strong case for suing its reinsurance broker.

### *Administration Services*

Fees from providing services to LAPP, Riskpool, SuperEasy and the SuperEasy KiwiSaver Superannuation Scheme in 2014 were \$2.67 million. These fees make an important contribution to Civic's overheads.

### *Investment Revenue*

Interest rates continued at historic lows during 2014. This combined with fewer funds to invest compared to previous years meant lower investment income for Civic, down from \$294,550 in 2013 to \$262,636 in 2014. On the other hand, the value of Civic Assurance House increased \$430,000 from \$6.625 million to \$7.055 million.

### *Sponsorship and Support for the Sector*

The Company continued as a sponsor of SOLGM (Society of Local Government Managers) and various SOLGM branch events.

## 3. BUSINESS OUTLOOK

It will take several years for Civic to rebuild its insurance portfolio. Meanwhile, Civic through its investment income and its SuperEasy, LAPP and Riskpool administration fees is able to cover its running costs.

Civic's website is [www.civicassurance.co.nz](http://www.civicassurance.co.nz).

## DIRECTORS' REPORT CONTINUED

### 4. ASSOCIATED ENTITIES

#### *LAPP Disaster Fund*

The LAPP disaster fund is a charitable trust that was set up by LGNZ and Civic in 1993. LAPP's membership is 33. It could be said that LAPP is New Zealand's original LASS (Local Authority Shared Services).

LAPP was designed to cover back-to-back major disasters and this is what happened of course with the Canterbury earthquakes in 2010 and 2011. LAPP settled the claims from Waimakariri District Council and Christchurch City Council for damage to their underground assets with a total payout of \$217 million (excluding GST).

The LAPP disaster fund at 30 April 2015 was \$17.3 million, supported by a further \$80 million of reinsurance (being \$40 million with one free reinstatement of another \$40 million).

Civic is the administration and fund manager for LAPP, whose website is: [www.lappfund.co.nz](http://www.lappfund.co.nz).

#### *Riskpool*

Riskpool provides public liability and professional indemnity cover for councils and has done so since 1997. It is not a company, but a mutual liability fund governed by a trust deed. For the current fund year Riskpool has 54 members.

The trustee of Riskpool is Local Government Mutual Funds Trustee Limited, a 100% subsidiary of Civic. Civic is also the Fund Manager and Scheme Manager for Riskpool.

Since 1997, Riskpool has paid \$143 million in claims.

Riskpool's website is: [www.riskpool.org.nz](http://www.riskpool.org.nz).

#### *Local Government Superannuation Trustee Limited*

One of the two trustees for the two superannuation schemes (SuperEasy KiwiSaver Superannuation Scheme and SuperEasy) administered by Civic is Local Government Superannuation Trustee Limited (LGST), a 100% subsidiary of Civic. To provide a degree of independence to LGST, four of the six directors of LGST are not appointed by Civic. These four appointments are made by LGNZ (two), SOLGM (one) and CTU (one). The other trustee for the two superannuation schemes is Graeme Mitchell, a former partner of Deloitte.

The SuperEasy schemes feature low member charges and simple administration for councils. Both make use of passive fund managers, which as well as allowing lower member fees removes the possibility of a fund manager making a bad call, which is something that can happen at any time.

The SuperEasy schemes also offer an 'Automatic Fund', in which each member's risk exposure is gradually and automatically switched from growth assets to income assets as the member gets older.

Superannuation funds under management as at 4 May 2015 were \$218 million (May 2014: \$172 million). SuperEasy's fund managers are AMP Capital Investors (New Zealand) Ltd and ASB Group Investments Ltd. Of the councils that have a preferred provider for KiwiSaver, 92% have appointed Civic (68 out of 74 councils).

The SuperEasy website is [www.supereasy.co.nz](http://www.supereasy.co.nz).

### 5. DIRECTORS

As at 31 December 2014 there were six directors: M.A. Butcher, A.T. Gray, M.C. Hannan, A.J. Marryatt, J.B. Melville and B.J. Morrison. The Company's constitution allows for up to six directors of which at least two are to be appointed from outside the local authority sector.

#### *Director attendances at Board meetings held in 2014 :*

Mark Butcher	6 / 7
Tony Gray	4 / 5
Mike Hannan	9 / 9
Tony Marryatt	9 / 9
John Melville	8 / 9
Basil Morrison	9 / 9
Bryan Taylor	4 / 4

**Section 139 of the Companies Act 1993**

There are no notices required under section 139 of the Companies Act 1993 except for Directors' remuneration. For the year ended 31 December 2014, Directors' remuneration was:

	\$
Mark Butcher (Appointed May 2014)	12,053
Tony Gray (Appointed June 2014)	10,630
Mike Hannan	18,563
Tony Marryatt	36,824
John Melville	18,563
Basil Morrison	18,563
Bryan Taylor (Resigned June 2014)	8,250
	123,446

In addition the following Directors received director fees in relation to their directorships of Riskpool or LGST:

	\$
Mike Hannan (Riskpool)	8,075
Tony Marryatt (Riskpool)	8,075
Basil Morrison (LGST)	7,498
Bryan Taylor (Riskpool)	8,075
	31,723

**Interests Register**

Directors' interests are tabled at the beginning of each Board meeting. Directorship and other disclosures as at 31 December 2014 were:

M. Butcher	Chief Executive of Local Government Funding Agency Ltd; Board Member of INFINZ.
T. Gray	Ngati Apa Developments Ltd; Gisborne Airport Ltd; Eastland Group Ltd including Eastland Port; Eastland Network Ltd; Hawkes Bay Opera House Ltd; Chair of Ngati Pukenga Investments Ltd; Employee of Hastings District Council; Member of the Advisory Committee of Omarunui Generation Ltd Partnership.
M. Hannan	Trustee of Civic Property Pool; Director of Local Government Mutual Funds Trustee Ltd.
T. Marryatt	Local Government Mutual Funds Trustee Ltd; AJM Holdings Ltd; Trustee of Civic Property Pool.
J. Melville	Trustee of Civic Property Pool.
B. Morrison	Chair of the Local Government Commission; Basil J Morrison & Associates Ltd; Waitangi Tribunal Member; Trustee of Civic Property Pool; Member of the Auckland Council Mediation/Facilitator Panel; Chairman of Local Government Superannuation Trustee Ltd; Auckland Council Independent Hearings Commissioner.

The renewal of the Company's Directors' and Officers' liability insurance cover was entered in the Interests Register pursuant to sections 162 and 163 of the Companies Act 1993. This insurance does not cover liabilities arising from criminal actions or deliberate and reckless acts or omissions by the Directors.

**Civic made a before-tax profit in 2014 of \$1,098,765. The net asset value per share has increased from \$1.12 at the end of 2013 to \$1.20 as at 31 December 2014.**

**DIRECTORS' REPORT CONTINUED****6. EMPLOYEE REMUNERATION**

Detailed below is the number of employees who received remuneration in their capacity as employees of \$100,000 or more during the year.

Remuneration \$	Number of Employees
110,000 – 120,000	2
140,000 – 150,000	1
170,000 – 180,000	1
180,000 – 190,000	1
190,000 – 200,000	1
380,000 – 390,000	1

The above remunerations include Company contributions to employees' superannuation (KiwiSaver and other), medical insurances and recognition by way of bonus payments of long working hours over a long period of time.

**7. AUDIT AND RISK MANAGEMENT**

Pursuant to Section 15 of the Public Audit Act 2001 the Company's auditor is the Auditor General who has appointed Mr Dave Shadwell using the staff and resources of Deloitte to carry out the audit on her behalf.

The Risk and Audit Committee (RAC) comprises the full Board plus Bryan Taylor who is a consultant to the Board. Mr. Taylor is the Chairman of this committee. RAC met six times in 2014: the Auditor attended two of those meetings and a part of each of those meetings was held without management present.

The RAC now has the additional responsibility of oversight of compliance with the insurance company licencing requirements under the Insurance (Prudential Supervision) Act 2010 and the Company's risk management program.

**8. DIRECTORS**

One director retired in 2014. We record our thanks to Mr. Taylor for his contribution both as a Director and Chairman of the Board.

**9. STAFF**

We sincerely thank Caroline Bedford, Ian Brown, Jane Brown, Oliver Gilmore, Roger Gyles, Alistair Hanning, Frank Heaton, Sylvia Jackson, Juliet Martin, Wendy Riley, Grace van Dyk and Glenn Watkin for their contributions to another challenging year for the Company. A huge effort in particular is being made to settle the Christchurch City Council earthquake claims, but ultimately it will depend on the willingness of Civic's reinsurers and Christchurch City Council to reach agreement.



Tony Marryatt  
Chairman



Tim Sole  
Chief Executive

May 2015

**DIRECTORS**

Tony J. Marrayatt (Chairman)  
Mark A. Butcher (Appointed May 2014)  
Anthony (Tony) T. Gray (Appointed June 2014)  
Michael C. Hannan  
John B. Melville  
Basil J. Morrison CNZM JP

**CONSULTANT TO THE BOARD**

Bryan G. Taylor JP

**EXECUTIVE OFFICERS**

<b>Chief Executive</b>	Tim Sole BSc MBA ANZIIF (Fellow) CIP FIAA FNZSA
<b>Manager – Insurance</b>	Alistair Hanning ANZIIF (Snr Assoc) CIP DipBusStud (Mktg) CDM
<b>General Manager – Finance</b>	Roger Gyles CA

**AUDITORS**

The Auditor General, who has appointed Dave Shadwell, Deloitte to carry out the audit on her behalf

**BANKERS**

ANZ Banking Group (New Zealand) Limited  
Bank of New Zealand

**LEGAL ADVISERS**

Mahony Burrowes Horner  
Brandons

COMPANY REGISTRATION NO: 13271

**REGISTERED OFFICE**

Level 9, Civic Assurance House, 116 Lambton Quay, Wellington 6011

**POSTAL ADDRESS**

Civic Assurance, PO Box 5521, Wellington 6145

**OTHER CONTACT DETAILS**

Telephone (04) 978 1250  
Facsimile (04) 978 1260  
Email [info@civicassurance.co.nz](mailto:info@civicassurance.co.nz)  
Website [www.civicassurance.co.nz](http://www.civicassurance.co.nz)

The Company is a participant in the Insurance & Savings Ombudsman Scheme (Inc).

# STATEMENT OF ACCOUNTS

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>REVENUE</b>					
Income Attributable to Insurance Business					
Premiums Earned		-	222,155	-	222,155
Unearned Premium Reserve		-	814,000	-	814,000
Reinsurance Paid		-	(122,477)	-	(122,477)
Expense & Legal Fee Recovery		3,250,000	-	3,250,000	-
Net Claims Expense	3	(388,198)	(287,279)	(388,198)	(287,279)
Underwriting Surplus/(Deficit)		2,861,802	626,399	2,861,802	626,399
Commissions & Claims Management Expenses		-	-	-	-
		2,861,802	626,399	2,861,802	626,399
Administration Fees		2,668,597	2,430,283	2,668,597	2,430,283
Income from Investments	9	262,636	294,550	262,636	294,550
Property Income		729,866	756,673	729,866	756,673
Other Income		1,095	3,631	1,095	3,631
<b>Net Operating Revenue</b>		<b>6,523,996</b>	<b>4,111,536</b>	<b>6,523,996</b>	<b>4,111,536</b>
<b>EXPENDITURE</b>					
Audit Fee					
Statutory Audit		100,472	111,096	100,472	111,096
Other Fees Paid to Auditors re Taxation Advisory		38,443	45,700	38,443	45,700
Claims Paying Ability Rating		27,226	4,141	27,226	4,141
Consultants		64,129	242,693	64,129	242,693
Depreciation	11	64,828	85,220	64,828	85,220
Amortisation	11	47,430	52,255	47,430	52,255
Interest Expense		35,000	493	35,000	493
Directors' Remuneration		123,446	105,990	123,446	105,990
Insurance Council of New Zealand		15,000	12,500	15,000	12,500
Legal Fees	23	1,712,720	756,636	1,712,720	756,636
Property Operating Expenses		375,206	537,401	375,206	537,401
Other Expenses		1,669,664	1,207,881	1,669,640	1,207,857
Employee Remuneration		1,412,993	1,452,365	1,412,993	1,452,365
Superannuation Subsidies		132,316	183,647	132,316	183,647
<b>Total Expenditure</b>		<b>5,818,873</b>	<b>4,798,018</b>	<b>5,818,849</b>	<b>4,797,994</b>
<b>Surplus/(Loss) Before Share of Profit from Associate, Revaluation of Investment Property and Taxation</b>		<b>705,123</b>	<b>(686,482)</b>	<b>705,147</b>	<b>(686,458)</b>
Subvention Payment		-	-	(7)	(7)
Revaluation of Investment Property	10	430,000	(165,000)	430,000	(165,000)
Share of Profit of Associate		(36,358)	43,410	35,000	50,000
<b>Surplus/(Loss) Before Taxation</b>		<b>1,098,765</b>	<b>(808,072)</b>	<b>1,170,140</b>	<b>(801,465)</b>
Taxation Expense/(Credit)	8	201,565	(187,950)	201,572	(187,943)
<b>TOTAL COMPREHENSIVE SURPLUS/(LOSS) NET OF TAX</b>	<b>14</b>	<b>897,200</b>	<b>(620,122)</b>	<b>968,568</b>	<b>(613,522)</b>

The Notes to the Financial Statements form part of, and should be read in conjunction with, these Statements.

**STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2014

	Notes	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>SHAREHOLDERS' EQUITY</b>					
<b>Issued and Paid-Up Ordinary Shares</b>					
11,030,364 Ordinary Shares fully paid-up	20	10,566,406	10,566,406	10,566,406	10,566,406
Retained Earnings	20	2,684,850	1,787,650	2,751,161	1,782,593
<b>TOTAL EQUITY</b>		<b>13,251,256</b>	<b>12,354,056</b>	<b>13,317,567</b>	<b>12,348,999</b>
Represented By:					
<b>CURRENT ASSETS</b>					
Bank & Cash Equivalents		4,224,278	8,345,202	4,173,716	8,294,624
Sundry Debtors and Prepayments	17	1,117,857	1,226,746	1,117,848	1,226,738
Premiums Receivable		-	-	-	-
Reinsurance Recoveries	6	506,976,959	587,703,734	506,976,959	587,703,734
Reinsurance Prepayments	7	-	-	-	-
Income Tax Receivable	8	42,128	159,565	42,128	159,565
<b>Total Current Assets</b>		<b>512,361,222</b>	<b>597,435,247</b>	<b>512,310,651</b>	<b>597,384,661</b>
<b>NON CURRENT ASSETS</b>					
NZ Government Stock	13	100,697	103,482	100,697	103,482
Shares in Local Government Online		3,287	104,635	-	30,000
Property, Plant and Equipment	11	164,697	223,856	164,697	223,856
Intangible Assets (Software)	11	52,511	65,441	52,511	65,441
Deferred Tax Asset	8	3,676,018	3,877,590	3,676,018	3,877,590
Investment Property	10	7,055,000	6,625,000	7,055,000	6,625,000
<b>Total Non Current Assets</b>		<b>11,052,210</b>	<b>11,000,004</b>	<b>11,048,923</b>	<b>10,925,369</b>
<b>TOTAL ASSETS</b>		<b>523,413,432</b>	<b>608,435,251</b>	<b>523,359,574</b>	<b>608,310,030</b>

The Notes to the Financial Statements form part of, and should be read in conjunction with, these Statements.

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Notes	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>CURRENT LIABILITIES</b>					
Sundry Creditors & Accrued Charges		1,022,962	4,877,584	1,022,969	4,877,596
Reinsurance Received in Advance		326,264	730,114	326,264	730,114
Accrued Holiday Pay		122,874	108,922	122,874	108,922
Subordinated Debt	16	120,176	120,176	-	-
		1,592,276	5,836,795	1,472,107	5,716,631
<b>Insurance Provisions</b>					
Unearned Premium Reserve	7	-	-	-	-
Outstanding Claims Liability	3	508,569,900	590,244,400	508,569,900	590,244,400
<b>Total Insurance Provisions</b>		508,569,900	590,244,400	508,569,900	590,244,400
<b>Total Current Liabilities</b>		510,162,176	596,081,195	510,042,007	595,961,031
<b>TOTAL LIABILITIES</b>		510,162,176	596,081,195	510,042,007	595,961,031
<b>EXCESS OF ASSETS OVER LIABILITIES</b>		13,251,256	12,354,056	13,317,567	12,348,999

For and on behalf of the Directors



**Director**  
Tony Marryatt

25 March 2015



**Director**  
John Melville

25 March 2015

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>OPENING EQUITY</b>	12,354,056	12,974,178	12,348,999	12,962,521
Total Comprehensive Surplus/(Loss)	897,200	(620,122)	968,568	(613,522)
Total Recognised Revenue and Expenses	897,200	(620,122)	968,568	(613,522)
Ordinary Shares issued during the year	-	-	-	-
<b>CLOSING EQUITY</b>	<b>13,251,256</b>	<b>12,354,056</b>	<b>13,317,567</b>	<b>12,348,999</b>

The Notes to the Financial Statements form part of, and should be read in conjunction with, these Statements.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Premiums Received		-	24,786	-	24,786
Rent Received		731,325	766,887	731,325	766,887
Administration Fees Received		2,949,205	2,132,294	2,949,205	2,132,294
Interest Received		265,421	298,686	265,421	298,686
Expense & Legal Fee Recovery		3,250,000	-	3,250,000	-
Reinsurance Recoveries		5,929,655	15,893,188	5,929,655	15,893,188
Reinsurance Received in Advance		(403,850)	730,114	(403,850)	730,114
		12,721,756	19,845,955	12,721,756	19,845,955
<b>Cash was applied to:</b>					
Claims Expenses		8,245,533	22,165,702	8,245,533	22,165,702
Taxation Paid/(Refunded)		(123,270)	(38,366)	(123,270)	(38,366)
Interest Expense		-	-	-	-
Payments to Suppliers		8,741,494	3,872,756	8,741,471	3,872,732
Payments to Reinsurers		(1,095)	122,477	(1,095)	122,477
		16,862,662	26,122,569	16,862,639	26,122,545
<b>Net Cash Flow from Operating Activities</b>	14	(4,140,906)	(6,276,614)	(4,140,883)	(6,276,590)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Dividend – LGOL		35,000	50,000	35,000	50,000
Return of LGOL Capital		30,000	-	30,000	-
Sale of Fixed Assets		-	435	-	435
		65,000	50,435	65,000	50,435
<b>Cash was applied to:</b>					
Purchase of Fixed Assets		45,018	46,340	45,018	46,340
		45,018	46,340	45,018	46,340
<b>Net Cash Flow from Investing Activities</b>		19,982	4,095	19,982	4,095
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Receipt of Subvention Payment		-	-	-	-
Ordinary Shares issued during the year		-	-	-	-
		-	-	-	-
<b>Cash was applied to:</b>					
Payment of Subvention Payment		-	-	7	7
		-	-	7	7
<b>Net Cash Flow from Financing Activities</b>		-	-	(7)	(7)
Net Decrease in Cash Held		(4,120,924)	(6,272,519)	(4,120,908)	(6,272,502)
Opening Cash Balance as at 1 January		8,345,202	14,617,721	8,294,624	14,567,126
<b>Closing Cash Balance as at 31 December</b>		<b>4,224,278</b>	<b>8,345,202</b>	<b>4,173,716</b>	<b>8,294,624</b>
<b>Being: Bank &amp; Cash Equivalents</b>		<b>4,224,278</b>	<b>8,345,202</b>	<b>4,173,716</b>	<b>8,294,624</b>

The Notes to the Financial Statements form part of, and should be read in conjunction with, these Statements.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2014

**NOTE 1. REPORTING ENTITY**

The reporting entity is New Zealand Local Government Insurance Corporation Limited, trading as Civic Assurance (the “Company”). The Group comprises the Company and its subsidiaries listed in Note 2 (p). The Group provides insurance products and other financial services principally for New Zealand local government.

The financial statements are presented in accordance with the Companies Act 1993 and have been prepared to comply with the requirements of the Financial Reporting Act 1993.

**Statement of Compliance**

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with New Zealand Equivalents to International Financial Reporting Standards (“NZ IFRS”) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards (“IFRS”).

**NOTE 2. STATEMENT OF ACCOUNTING POLICIES****General Accounting Policies**

The measurement and reporting of profits on an historical cost basis have been followed by the Company and Group, except for specific policies as described below. The reporting currency is New Zealand dollars. The Group is subject to the requirements under the Insurance (Prudential Supervision) Act 2010 as a provisional licence holder.

**Critical Judgements and Estimates in Applying the Accounting Policies**

In the application of NZ IFRS the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These are based on historical experience and other various factors and are reviewed on an ongoing basis. No discounting of the outstanding claims liabilities or associated reinsurance recoveries receivable has been made on the basis that the Company’s net insured claims are expected to be settled in the year.

The Directors believe that, as at the date of these financial statements, there are no significant sources of estimation uncertainty that have not been disclosed in these notes. The most significant judgements, estimates and assumptions made in the preparation of these financial statements are in respect of insurance activities (Notes 3 to 7 and 23), including recovery of reinsurance receivables, the recognition of the deferred tax asset and the valuation of investment property (Note 10).

**Particular Accounting Policies**

The following particular accounting policies which materially affect the measurement of profit and financial position have been applied.

**(a) Consolidation of Subsidiaries**

The Group financial statements incorporate the financial statements of the Company and its subsidiaries, which have been consolidated using the acquisition method. The results of any subsidiaries acquired or disposed of during the year are consolidated from the effective dates of acquisition or until the effective dates of disposal. All inter-company transactions, balances and unrealised profits are eliminated on consolidation.

**(b) Significant Accounting Policies Related to General Insurance Contracts**

All of the general insurance products and reinsurance products offered or utilised met the definition of an insurance contract (a contract under which one party, the insurer, accepts significant insurance risk from another party, the policyholder, by agreeing to compensate the policyholder if a specified uncertain future event, the insured event, adversely affects the policyholder) and none of the contracts contain embedded derivatives or are required to be unbundled.

**NOTE 2. STATEMENT OF ACCOUNTING POLICIES CONTINUED****(c) Income Attributable to Insurance Business**

Premium revenue comprises amounts charged to policyholders and excludes fire service and earthquake levies collected on behalf of statutory bodies. The earned portion of premium received and receivable is recognised as revenue. Premium revenue is recognised as earned from the date of attachment of risk (generally the date a contract is agreed to) over the period of the related insurance contract in accordance with the pattern of the risk expected under the contract. The unearned portion of premium is recognised as an unearned premium liability on the Statement of Financial Position.

**(d) Reinsurance Expense**

Premium ceded to reinsurers is recognised as an expense that is evenly spread from the date of attachment of risk to the end of the period of the reinsurance contract over the period of indemnity of the reinsurance contract in line with the expected pattern of incidence of risk.

**(e) Claims**

The outstanding claims liability is measured as the central estimate of expected future payments relating to claims incurred at the reporting date with an additional risk margin to allow for the inherent uncertainty in the central estimate. The expected future payments include those in relation to claims reported but not yet paid in full, claims incurred but not reported (“IBNR”), and claims incurred but not enough reported (“IBNER”). Due to the short-term nature of the Company’s claims these are not discounted in the financial statements.

Claims expense represents claim payments adjusted for movement in the outstanding claims liability.

The estimation of the outstanding claims liability involves a number of key assumptions and is the most critical accounting estimate. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures and employs external actuarial advice. However, given the uncertainty in establishing the liability, it is likely that the final outcome will be different from the original liability established. Changes in claims estimates are recognised in profit and loss in the year in which the estimates are changed.

**(f) Reinsurance and Other Recoveries**

Reinsurance and other recoveries received or receivable on paid claims and on outstanding claims liabilities notified and not yet notified are recognised as income. Reinsurance does not relieve the originating insurer of its liabilities to policyholders.

**(g) Liability Adequacy Test**

The liability adequacy test is an assessment of whether the carrying amount of the unearned premium liability is adequate and is conducted at each reporting date. If current estimates of the expected future cash flows relating to future claims arising from the rights and obligations under current general insurance contracts, plus an additional risk margin to reflect the inherent uncertainty in the central estimate, exceed the unearned premium liability then the unearned premium liability is deemed to be deficient. The test is performed at the level of a portfolio of contracts that are subject to broadly similar risks and that are managed together as a single portfolio. Any deficiency arising from the test is recognised in the Statement of Comprehensive Income, with the corresponding impact on the Statement of Financial Position.

**(h) Assets which back Insurance Liabilities**

Ultimately all assets of the Company are available to back insurance liabilities.

**(i) Investment Property**

Investment property is measured at fair value, by reference to an external market valuation (performed annually), with any resulting unrealised gain or loss recognised in the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 2. STATEMENT OF ACCOUNTING POLICIES** *CONTINUED***(j) Property, Plant & Equipment and Software Intangible**

Assets are depreciated on a straight line basis at rates calculated to allocate the assets' cost, in equal instalments over their estimated useful lives which are assessed and regularly reviewed.

Assets are carried at historic cost value less depreciation. The useful lives attributed to various assets are:

Office Furniture and Equipment	up to 5 years
Intangibles – Software	5 years

**(k) Financial Instruments****(i) Classification and Measurement**

Financial instruments are transacted on a commercial basis to derive an interest yield / cost with the terms and conditions having due regard to the nature of the transaction and the risks involved. Financial instruments are recognised and accounted for on a settlement date basis.

***Held To Maturity Investments***

NZ Government Stock is classified as Held To Maturity and is measured at amortised cost using the effective interest method.

***Loans and Receivables***

Other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate.

***Bank and Cash Equivalents***

Bank and cash equivalents are measured at amortised cost using the effective interest rate.

***Financial Liabilities***

Financial liabilities include Sundry Creditors, Subordinated Debt and Outstanding Claims. Financial liabilities are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, liabilities are measured at amortised cost.

**(ii) Offsetting Financial Instruments**

Financial assets and liabilities are not offset as there is no legally enforceable right to set-off.

**(iii) Asset Quality*****Impairment of Financial Assets***

Financial assets measured at amortised cost are reviewed at each balance date to determine whether there is any objective evidence of impairment. If any such condition exists, the asset's recoverable amount is estimated and provision is made for the difference between the carrying amount and the recoverable amount.

As at the date of these Financial Statements, no such evidence of impairment exists.

**NOTE 2. STATEMENT OF ACCOUNTING POLICIES** CONTINUED**(iv) Fair Value of Financial Instruments***Fair value measurements recognised in the Statement of Financial Position*

Financial instruments are categorised into 3 levels:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NZ Government Stock is categorised as Level 1. That is, the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices. The fair value of Level 1 financial assets are derived from quoted prices from Bank of New Zealand. Transfers between levels are recognised at the end of the reporting period.

**(v) Derivatives**

The Company and Group do not use any derivative financial instruments.

**(l) Taxation***Current Tax*

The income tax expense charged against the profit for the year is the estimated liability in respect of that profit. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for the current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable). Tax assets are offset only when there is a legally enforceable right to set off the recognised amounts, and an intention to settle on a net basis.

*Deferred Tax*

The liability method of accounting for deferred taxation is applied on a comprehensive balance sheet basis in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base of those items.

Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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. Deferred tax is charged or credited in the Statement of Comprehensive Income.

**(m) Goods and Services Tax (GST)**

Revenue, expenses, assets and liabilities are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority in which case the GST is recognised as part of the cost of the acquisition of the assets or as part of the expense item as applicable.
- Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 2. STATEMENT OF ACCOUNTING POLICIES** *CONTINUED***(n) Statement of Cash Flows**

The Statement of Cash Flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Comprehensive Income. The GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to, the taxation authority is classified as operating cash flow.

The following are definitions of the terms used in the Statement of Cash Flows:

- Bank comprises cash on hand and demand deposits.
- Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.
- Cash flows are inflows and outflows of cash and cash equivalents.
- Operating activities are the principal revenue producing activities of the entity and other activities that are not investing or financing activities.
- Investing activities are the acquisition and disposal of long-term assets.
- Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

**(o) Employee Benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

**(p) Investment in Subsidiaries**

The Company has six wholly owned subsidiaries which are all incorporated in New Zealand. Five of these, Local Government Superannuation Trustee Limited, SuperEasy Limited, Local Government Finance Corporation Limited and Civic Assurance Limited with balance dates of 31 December and Local Government Mutual Funds Trustee Limited with its balance date of 30 June did not have any significant assets, liabilities, revenue or expenses during the years ended 31 December 2013 and 31 December 2014. New Zealand Local Government Finance Corporation Limited (NZLGFC) commenced business on the 29 November 1999 and had total assets of \$50,560 at 31 December 2014 (2013: \$50,584) and ceased active operations in February 2010. The five companies have been recognised in the Parent financial statements at cost less impairment and consolidated in the Group financial statements. The operating companies are subject to ongoing review of their operations to ensure they are meeting their agreed strategic objectives.

**(q) Investment in Associate Company**

The Company holds a 25% share of Local Government Online Limited (LGOL). The share of the income of LGOL has been included in the consolidated Statement of Comprehensive Income and added to the cost of the investment in the consolidated Statement of Financial Position. The Parent financial statements record the investment at cost less impairment. During the year LGOL returned the shareholders capital and ceased operations on 31 March 2014 (refer to Note 17).

**(r) Administration Fees**

Administration fees are recognised at the agreed amounts based on time and expenses incurred.

**(s) Property Income**

Property rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

**(t) Basis of Measuring Income and Expenses**

Income and expenses are accounted for on an accruals basis.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 2. STATEMENT OF ACCOUNTING POLICIES CONTINUED

## (u) Changes in Accounting Policies

There have been no changes in the accounting policies during the year. All policies have been applied on bases consistent with those used in the prior year.

The implementation of accounting standards adopted during the year, in particular NZ IFRS 12 *Disclosure of Interests in Other Entities* has had no material impact on the financial statements although additional disclosures have been included as required. The implementation of NZ IFRS 13 *Fair Value Measurement* has had no impact on the fair value measurement although additional disclosure has been included as required.

## NOTE 3. CLAIMS

## (a) Claims

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<i>Claims Incurred and Provision for Outstanding Claims</i>				
Revaluation of claims during the year	74,812,772	215,631,345	74,812,772	215,631,345
Less: Revised estimate of reinsurance recoveries during the year	(75,200,970)	(215,918,624)	(75,200,970)	(215,918,624)
<b>Net Claims</b>	<b>(388,198)</b>	<b>(287,279)</b>	<b>(388,198)</b>	<b>(287,279)</b>

Claims costs are reliably estimated and claims are usually settled within one year therefore there is no claims development from prior years' claims.

## (b) Reconciliation of Movements in Gross Outstanding Claims Liability

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Outstanding Claims liability at the beginning of the financial year	590,244,400	829,306,800	590,244,400	829,306,800
Revaluation of claims during the year	(74,812,772)	(215,631,345)	(74,812,772)	(215,631,345)
Claims Paid	(6,861,728)	(23,431,055)	(6,861,728)	(23,431,055)
<b>Outstanding Claims Liability at the End of the Financial Year</b>	<b>508,569,900</b>	<b>590,244,400</b>	<b>508,569,900</b>	<b>590,244,400</b>

## (c) Actuarial Methodology and Assumptions

The estimation process involves using the Company's specific data, relevant industry data and more general economic data. Each class of business is usually examined separately and the process involves consideration of a large number of factors including the risks to which the business is exposed at a point in time, claim frequencies and average claim sizes, historical trends in the incidence and development of claims reported and finalised, legal, social and economic factors that may impact upon each class of business as well as the key actuarial assumptions set out below, and the impact of reinsurance and other recoveries.

Different actuarial valuation models are used for different claims types with the results then being aggregated. This aggregation of results enhances the valuation process by allowing the use of the model best suited to particular claims types. The selection of the appropriate model takes into account the characteristics of a class of business and the extent of development of past claims periods.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 3. CLAIMS CONTINUED****(c) Actuarial Methodology and Assumptions continued**

The different components of the outstanding claims liability are subject to different levels of uncertainty. The estimation of the cost of claims reported but not yet paid in full is made on a case by case basis by claims personnel having regard to the facts and circumstances of the claim as reported, any information available from assessors and information on the cost of settling claims with similar characteristics in previous periods. A further amount, which may be a reduction, is included for IBNER on the basis of past experience with the accuracy of initial claims estimates. With IBNR, the estimation is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified, as no information is currently available about the claim. In calculating the estimated cost of unpaid claims a variety of estimating techniques are used generally based on statistical analysis of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience. Allowance is made however for changes or uncertainties which may create distortions in the underlying statistics which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims.

Large claims impacting each relevant business class are generally assessed separately, being measured on a case by case basis or projected separately in order to allow for the possible distortive effect of the development and incidence of these large claims.

Reserves are not established for catastrophes in advance of such events and so these events will cause volatility in the results for a period and in the levels of the outstanding claims liability.

The central estimate of the outstanding claims liability is an estimate which is intended to contain no deliberate or conscious over or under estimation and is commonly described as providing the mean of the distribution. It is considered appropriate for the measurement of the claims liability to represent a higher degree of certainty regarding the sufficiency of the liability over time, and so a risk margin is added to the central estimate. The risk margin refers to the amount by which the liability recognised in the financial statements is greater than the actuarial central estimate of the liability. The risk margin added to the central estimate increases the probability that the net outstanding claims liability will ultimately prove to be adequate.

The actuarial valuation net of reinsurance assumes that all reinsurance recoveries will be collected. The Company's policy is to use only reinsurers with rating "A-" or better from AM Best (or equivalent).

**(d) Canterbury Earthquakes Claims**

The Canterbury earthquakes have had a significant impact on the operational and financial results of the Company for the year, with over 3,000 claims being received. As at 31 December 2014 the Outstanding Claims Liability in relation to Canterbury earthquake claims was \$509m (2013: \$590m) of which \$504m (2013: \$585m) is covered by reinsurance treaties resulting in a net incurred claims liability of \$4m (2013: \$5m). As a result of the Canterbury earthquake events, reinsurance cover has been less affordable than in previous years. In addition to this, the Company has faced logistical issues detailing the exposures that were to be written due to a lack of detailed information being readily available on the local government assets. As a consequence of this, the Company was unable to obtain reinsurance at an appropriate price for the reinsurance year commencing 1 July 2011 and has not accepted any new material damage risk from this date.

As at 31 December 2014 valuation of outstanding claims liability and risk margins in relation to the Canterbury earthquake claims was evaluated by Craig Lough (Fellow of the NZ Society of Actuaries) of Melville Jessup Weaver. The actuaries are satisfied as to the nature, sufficiency and accuracy of data used in the calculation of the outstanding claims liability.

The principal concern in determining the outstanding claims liabilities for Canterbury earthquake claims is the unique nature of the event. Despite the material nature of the outstanding claims liability, it has been decided at this stage that no actuarial adjustment should be applied to the case estimates recorded for these claims. The reasons for this are:

- The unique and continuing nature of the Canterbury earthquake events means that at this stage there is very limited data upon which to base a meaningful actuarial analysis.
- All claims have been assessed by loss adjusters who have expertise in this area. We understand that there is no reason to believe that there is any systemic under or over estimation of reported claims. The estimates of outstanding claims incorporates an allowance for both the future direct and indirect costs associated with those claims.
- To date, few claims have been closed so there are unlikely to be reopened claims.

**NOTE 3. CLAIMS CONTINUED****(d) Canterbury Earthquakes Claims continued**

Despite the considerable gross claims costs, the financial impact on the Company has been significantly mitigated by the catastrophe reinsurance treaties in place until 30 June 2011. These reinsurance treaties limit the Company's net claims liability to \$3.6m net incurred claims per event (net of reinsurance). While it is expected that the gross claims will be larger than the net retention (after catastrophe reinsurance) any increase in the claims costs will be borne by the reinsurers and therefore the risk margin on the net claims liability is zero. The overall risk margin for both outstanding claims and liability adequacy testing have been determined using a combination of historical results and professional judgement.

Although the Company's exposure to insurance risk is limited to \$3.6m net incurred claims per event, it continues to be exposed to credit risk relating to the ability of the reinsurers to pay the gross reinsurance recoveries receivable. Civic uses only reinsurers with rating A- or better from AM Best (or equivalent). Details of the Company's credit risk management policies are included in Note 4 (d).

No discounting of the outstanding claims liabilities or associated reinsurance recoveries receivable has been made on the basis that the Company's net insured claims are expected to be settled in the year.

**(e) Other Claims**

As at 31 December 2014 the central estimate of the outstanding claims liability and risk margins in relation to Business as Usual and Riskpool claims was evaluated by Craig Lough (Fellow of the NZ Society of Actuaries) of Melville Jessup Weaver. The actuaries are satisfied as to the nature, sufficiency and accuracy of data used in the calculation of the outstanding claims liability.

The outstanding claims liability in respect of Business as Usual and Riskpool claims has been determined based on professional judgement. This approach is considered reasonable given the very small number of outstanding claims, where previously applied statistical methods are considered inappropriate.

The estimation of the outstanding claims liability is based on a variety of actuarial techniques that analyse experience, trends and other relevant factors. The claims estimation process commences with the actuarial projection of the future payments relating to claims incurred at the reporting date. The expected future payments include those in relation to claims reported but not yet paid or not yet paid in full, claims incurred but not reported ("IBNR") and claims incurred but not enough reported ("IBNER").

The overall risk margin for both outstanding claims and liability adequacy testing has been determined using stochastic techniques and have been determined allowing for diversification between groups of business and having regard to the inherent variation observed in claims development in each group of business. The undiversified risk margins for each group of business are applied to the net central estimates and the results aggregated, allowing for diversification, in order to arrive at an overall net provision that is intended to provide a probability of sufficiency of 85%. For the non-Canterbury earthquake claims a risk margin of \$29,000 (2013: \$40,000) has been included in the Outstanding Claims Liability as at balance date, as required in terms of NZIFRS 4 clause 17.2.

Risk margins are held to allow for uncertainty surrounding the outstanding claims liability estimation process. Potential uncertainties include those relating to the actuarial models and assumptions, the quality of the underlying data used in the models, general statistical uncertainty and the general insurance environment. Uncertainty from the above sources is examined for each class of business and expressed as a volatility of the net central estimate. The volatility for each class is derived after consideration of stochastic modelling and benchmarking to industry analysis.

The period between the valuation date and the settlement of most claims is short, and the valuation implicitly allows for past levels of inflation to continue in the future. Therefore, any increase in costs as a result of inflation is limited.

Also due to the short settlement periods the effect of discounting expected future payments is also limited and therefore the estimates are not discounted for the time value of money.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 4. INSURANCE CONTRACT RISK MANAGEMENT**

A key risk from operating in the general insurance industry is the exposure to insurance risk arising from underwriting general insurance contracts. The insurance contracts transfer risk to the insurer by indemnifying the policyholders against adverse effects arising from the occurrence of specified uncertain future events. The risk is that the actual claims to be paid in relation to contracts will be different to that estimated at the time a product was designed and priced. The Company is exposed to this risk because the price for a contract must be set before the losses relating to the product are known. Hence the insurance business involves inherent uncertainty. The Company also faces other risks relating to the conduct of the general insurance business including financial risks and capital risks.

A fundamental part of the overall risk management strategy is the effective governance and management of the risks that impact the amount, timing and uncertainty of cash flows arising from insurance contracts.

**(a) Risk Management Objectives and Policies for Mitigating Insurance Risk**

The risk management activities can be broadly separated into underwriting (acceptance and pricing of risk), claims management, reserving, and investment management. The objective of these risk management functions is to enhance the longer term financial performance of the overall insurance operations.

The key policies in place to mitigate risks arising from underwriting insurance contracts include the following:

- Acceptance of risk – The Company is primarily an insurer only of risks owned or managed by local authorities. Records of results and trends exclusively in this market sector that have been built up over a number of years are available as tools for the Company’s underwriter. The portfolio was essentially property risks. A “ring fenced” maximum liability layer of liability risk has been written to support the local government liability pool, provided by New Zealand Mutual Liability Riskpool (“Riskpool”).
- Pricing – Many years of underwriting results for a tight homogenous group of risks enables the Company’s underwriters to calculate acceptable pricing and acceptable terms and conditions of cover.
- Reinsurance – Through reinsurance the Company, up until 30 June 2011, was able to cap its maximum liability in the event of a catastrophe to \$3.6m. This amount was well within the Company’s reserves.
- Claims management – Claims are handled in house by experienced claims handling staff. Staff are allocated settling limits and authorities. These authority levels are reviewed regularly. Senior claims staff are very experienced, particularly in local government claims. Overall authority and claims management is provided by the Company’s Insurance Manager.
- Investment management – All premium income is held in NZ Registered Bank accounts and short-term deposits except for \$100,000 NZ Government Stock. All investments are regularly reviewed by the Board.
- Risk reduction – The Company’s underwriter and its Insurance Manager analyse and review claims data with a view to educating and training insureds in recognition and prevention of manageable risks. Due to the Company being unable to reinsure risks after 1 July 2011 the risk was managed by not writing material damage cover policies.

**(b) Terms and Conditions of Insurance Contracts**

Almost all the Company’s insurance contracts written are entered into on a standard form and on an annual basis. There are no special terms and conditions in any non-standard contracts that would have a material impact on the financial statements.

**(c) Concentration of Insurance Risk**

Concentration risk is particularly relevant in the case of natural disasters and other catastrophes. The Company dealt with this by having uncapped reinsurance cover for the period of the insurance contract. All geographical risk is in New Zealand.

**NOTE 4. INSURANCE CONTRACT RISK MANAGEMENT** CONTINUED**(d) Credit Risk**

Financial assets or liabilities arising from insurance contracts are presented in the Statement of Financial Position. These amounts best represent the maximum credit risk exposure at reporting date. The credit risk relating to insurance contracts relates primarily to:

- Premium receivable which is due from policyholders and intermediaries (brokers). The brokers collect premium from policyholders and remit the monies to the insurer in accordance with contractual arrangements, being held in a trust account and paid within 90 days. The recoverability of premium receivable is assessed and provision is made for impairment based on objective evidence and having regard to past default experience. Concentrations of credit risk are determined by the clients who each independently appoint their own insurance broker.
- Reinsurance recoveries receivable, which are discussed further in Note 6.

**(e) Interest Rate Risk**

The underwriting of general insurance contracts creates no exposure to the risk that interest rate movements may impact the value of the outstanding claims liability because the outstanding claims liability is not discounted due to the short tail nature of claims.

**(f) Reinsurance Risk**

Risks underwritten are reinsured in order to limit exposure to losses, stabilise earnings, protect capital resources and ensure efficient control and spread of the risks underwritten.

**(g) Operational Risk**

Operational risk is the risk of financial loss (including lost opportunities) resulting from external events and/or inadequate or failed internal processes, people and systems. Operational risk is identified and assessed on an ongoing basis and the capital management strategy includes consideration of operational risk. Management and staff are responsible for identifying, assessing and managing operational risks in accordance with their roles and responsibilities.

**(h) Liquidity Risk**

All assets and liabilities used in relation to the liquidity of the insurance business are addressed through maintaining sufficient highly liquid assets.

**(i) Sensitivity Analysis**

Sensitivity of risks relates primarily to the risk margin assessments which are set out in Note 3. These are reviewed annually and change in accordance with current best estimates using advice from an actuary. There is no insurance risk sensitivity as full exposure has been taken.

**NOTE 5. INSURANCE PROVISIONS**

The Company has a claims payable credit rating of “B+, negative outlook” issued by AM Best at 7 October 2014. The Company’s reinsurance programme is structured to adequately protect the Company’s solvency and capital position. It covers per risk and event losses in New Zealand. Counterparty reinsurers with credit ratings no less than “A-” (AM Best scale) participate in the reinsurance catastrophe programme.

**(a) Solvency Margin**

In accordance with the Insurance (Prudential Supervision) Act 2010 the solvency margin as at balance date was negative \$493.844m (2013: negative \$10.691m) with a ratio of 0.02 (2013: 0.44). Civic’s net assets, which is total assets less total liabilities, was \$13.251m. Civic has adopted an ultra-conservative position in respect of reinsurance recoverable.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2014 continued

**NOTE 6. REINSURANCE RECEIVABLE ON OUTSTANDING CLAIMS****(a) Reconciliation of Movements for the Financial Year**

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Reinsurance recoveries receivable on outstanding claims at the beginning of the year	587,703,734	820,245,659	587,703,734	820,245,659
Reinsurance recoveries received	(5,525,805)	(16,623,301)	(5,525,805)	(16,623,301)
Revised estimate of reinsurance recoveries during the year	(75,200,970)	(215,918,624)	(75,200,970)	(215,918,624)
<b>Reinsurance recoveries receivable on outstanding claims at the end of the year</b>	<b>506,976,959</b>	<b>587,703,734</b>	<b>506,976,959</b>	<b>587,703,734</b>

**(b) Actuarial Assumptions**

Reinsurance and other recoveries on outstanding claims are computed using actuarial assumptions and methods similar to that used for outstanding claims (refer Note 3). The outstanding claims liability is calculated gross of any reinsurance recoveries and a separate estimate is then made of the amounts that are expected to be recoverable from reinsurers based upon the gross provisions.

**(c) The Effect of Changes in Assumption**

There have been no changes in the actuarial assumptions for the period under review.

**(d) Risk Management**

The Board and senior management assess the Company's reinsurance programme as existing and for the following year based on identification of the Company's exposure and its ability to meet claims from its capital base.

**(e) Reinsurance Risk Management**

Risks underwritten are reinsured in order to limit exposure to losses, stabilise earnings, protect capital resources and ensure efficient control and spread of the risks underwritten. The Company has its own reinsurance programme and determines its own risk limits. The Company buys reinsurance in only two forms, a quota share programme on every property risk and a catastrophe programme over its whole portfolio. These programmes are negotiated on an annual basis from 1 July to 30 June. As a consequence of the Canterbury earthquakes the Company has been unable to obtain property reinsurance from 1 July 2011 on suitable terms and has therefore ceased providing material damage cover since this date. The Company is currently in arbitration with one of its reinsurers. More detail is disclosed in Note 23.

Reinsurance arrangements mitigate insurance risk but can expose the Company to credit risk. Reinsurance is placed with companies based on an evaluation of the financial strength of the reinsurers, terms of coverage, and price. The Company has clearly defined credit policies for the approval and management of credit risk in relation to reinsurers. It is Company policy to only deal with reinsurers with credit ratings of at least AM Best "A-" (or other rating agency equivalent). The Company monitors the financial condition of its reinsurers on an ongoing basis and periodically reviews reinsurers' abilities to fulfil their obligations to the Company under respective existing and future reinsurance contracts.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 7. UNEARNED PREMIUM LIABILITY AND REINSURANCE PREPAYMENTS

## (a) Reconciliation of Movements for the Financial Year

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Unearned net premium liability at the beginning of the financial year	-	1,040,069	-	1,040,069
Deferral of gross premiums on contracts written in the year	-	-	-	-
Deferral of reinsurance expense payable on contracts written in the year	-	-	-	-
Earning of premiums written in previous years	-	(226,109)	-	(226,109)
Payment of reinsurance expense payable written in previous years	-	40	-	40
Unexpired Risk Reserve	-	(814,000)	-	(814,000)
<b>Unearned net premium liability at the end of the financial year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## (b) Liability Adequacy Test

The Company has no active insurance policies therefore both the gross premiums deferred and the Unexpired Risk Reserve are nil.

## NOTE 8. TAXATION

## (a) Income tax recognised in the Statement of Comprehensive Income

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Tax credit comprises:</b>				
Current tax expense	199,763	-	199,770	-
Adjustments recognised in the current year in relation to the current tax of prior years	-	-	-	-
Deferred tax (income) relating to the origination and reversal of temporary differences	1,802	(187,953)	1,802	(187,946)
<b>Total tax expense/credit</b>	<b>201,565</b>	<b>(187,953)</b>	<b>201,572</b>	<b>(187,946)</b>
<b>Attributable to:</b>				
Continuing operations	201,565	(187,953)	201,572	(187,946)
	<b>201,565</b>	<b>(187,953)</b>	<b>201,572</b>	<b>(187,946)</b>

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 8. TAXATION** *CONTINUED***(a) Income tax recognised in the Statement of Comprehensive Income** *continued*

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Profit from continuing operations	705,123	(686,482)	705,147	(686,458)
Profit from discontinued operations	-	-	-	-
Profit from operations	705,123	(686,482)	705,147	(686,458)
Subvention payable	-	-	(7)	(7)
Revaluation of Investment Property	430,000	(165,000)	430,000	(165,000)
Share of Profit of Associate	(36,358)	43,410	35,000	50,000
	1,098,765	(808,073)	1,170,140	(801,465)
Income tax calculated at 28%	307,654	(226,262)	327,639	(224,409)
Tax effect of permanent differences	(106,089)	38,312	(126,067)	36,466
	201,565	(187,950)	201,572	(187,943)
Under provision of income tax in previous year	-	-	-	-
<b>Income Tax Credit</b>	<b>201,565</b>	<b>(187,950)</b>	<b>201,572</b>	<b>(187,943)</b>

**(b) Current tax assets and liabilities**

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Tax refund receivable	42,128	159,565	42,128	159,565
Tax payable	-	-	-	-
	<b>42,128</b>	<b>159,565</b>	<b>42,128</b>	<b>159,565</b>

**(c) Deferred tax balances**

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Deferred tax assets comprise:</b>				
Temporary differences	4,123,699	4,319,564	4,123,699	4,319,564
	4,123,699	4,319,564	4,123,699	4,319,564
<b>Deferred tax liabilities comprise:</b>				
Temporary differences	(447,682)	(441,974)	(447,682)	(441,974)
	(447,682)	(441,974)	(447,682)	(441,974)
<b>Net Deferred Tax balance</b>	<b>3,676,016</b>	<b>3,877,590</b>	<b>3,676,016</b>	<b>3,877,590</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 8. TAXATION CONTINUED

## (c) Deferred tax balances continued

Gross taxable and deductible temporary differences for both the Company and Group arise from the following:

	Opening Balance \$	Charged to Income \$	Charged to Equity \$	Prior Period Adjustment \$	Closing Balance \$
2014	Investment gains	(40,315)	-	-	(40,315)
	Building, property and equipment	(1,538,158)	(20,389)	-	(1,558,547)
		<b>(1,578,473)</b>	<b>(20,389)</b>	<b>-</b>	<b>(1,598,862)</b>
	Employee entitlements	108,922	13,953	-	122,875
	Losses carried forward	15,318,095	(713,472)	-	14,604,623
	Other	-	-	-	-
		<b>15,427,017</b>	<b>(699,519)</b>	<b>-</b>	<b>14,727,498</b>
	<b>Attributable to:</b>				
	Continuing operations	13,848,545	(719,908)	-	13,128,637
	Discontinued operations	-	-	-	-
<b>Total</b>	<b>13,848,545</b>	<b>(719,908)</b>	<b>-</b>	<b>13,128,637</b>	
Tax effect at 28%	3,877,590	(201,577)	-	3,676,016	
2013	Investment gains	(40,315)	-	-	(40,315)
	Building, property and equipment	(1,506,570)	(31,588)	-	(1,538,158)
		<b>(1,546,885)</b>	<b>(31,588)</b>	<b>-</b>	<b>(1,578,473)</b>
	Employee entitlements	84,553	24,369	-	108,922
	Losses carried forward	14,639,642	678,453	-	15,318,095
	Other	-	-	-	-
		<b>14,724,195</b>	<b>702,822</b>	<b>-</b>	<b>15,427,017</b>
	<b>Attributable to:</b>				
	Continuing operations	13,177,310	671,234	-	13,848,545
	Discontinued operations	-	-	-	-
<b>Total</b>	<b>13,177,310</b>	<b>671,234</b>	<b>-</b>	<b>13,848,545</b>	
Tax effect at 28%	3,689,647	187,943	-	3,877,590	

At balance date, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is \$nil. No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

The deferred tax asset relating to tax losses carried forward has been recognised as the financial forecasts anticipate the Company re-entering the insurance market and returning to profits in future financial years (refer Note 23).

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 8. TAXATION CONTINUED****(d) Imputation Credit Account**

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Opening Balance	5,606,060	5,647,006	5,606,060	5,647,006
Plus Credits				
Income Tax Paid	-	-	-	-
Resident Withholding Tax	1,980	40,147	1,980	40,147
Imputation Credits Received	33,056	-	33,056	-
	35,036	40,147	35,036	40,147
Less Debits				
Tax Refund	119,418	81,093	119,418	81,093
Imputation Credits Attached to Dividends Paid	-	-	-	-
	119,418	81,093	119,418	81,093
<b>Closing Balance</b>	<b>5,521,678</b>	<b>5,606,060</b>	<b>5,521,678</b>	<b>5,606,060</b>

**NOTE 9. INCOME RELATING TO FINANCIAL INSTRUMENTS**

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Held to Maturity</b>				
Interest Received – NZ Government Stock	3,232	7,864	3,232	7,864
	3,232	7,864	3,232	7,864
<b>Cash &amp; Cash Equivalents</b>				
Interest Received – Short-term Deposits at Bank	259,404	286,686	259,404	286,686
	262,636	294,550	262,636	294,550

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 10. INVESTMENT PROPERTY

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Civic Assurance House, Lambton Quay, Wellington</b>				
(a) Land valuation (Original Cost \$289,253)	2,900,000	2,900,000	2,900,000	2,900,000
Less decrease in value	-	-	-	-
Level 3 Fair Value	2,900,000	2,900,000	2,900,000	2,900,000
(b) Building valuation (Original Cost \$860,571)	3,700,000	3,850,000	3,700,000	3,850,000
Refurbishment	-	15,000	-	15,000
Increase/(Decrease) in value	430,000	(165,000)	430,000	(165,000)
Level 3 Fair Value	4,130,000	3,700,000	4,130,000	3,700,000
(c) Artwork valuation (Original Cost \$8,844)	25,000	25,000	25,000	25,000
Plus increase in value	-	-	-	-
Fair Value	25,000	25,000	25,000	25,000
	<b>7,055,000</b>	<b>6,625,000</b>	<b>7,055,000</b>	<b>6,625,000</b>

The investment property is revalued every year. The investment property was valued on 31 December 2014 by independent registered valuer Martin Veale (ANZIV, SPINZ) of the firm Telfer Young (Wgtn) Ltd. The property is valued in accordance with International Valuation Standards 2013. During the year the fair value of the Investment property was transferred from Level 2 to Level 3.

The valuation has been established by the Income Capitalisation and Discounted Cashflow approaches and consideration of market rental and sales evidence and property specific attributes. The major inputs and assumptions used in the valuation technique are current and expected market rentals, potential vacancies, capital outlay, terminal and investment yields and the discount rate.

## Investment Property Metrics

		2014	2013
<b>Contract Yield</b>	Average	6.70%	8.87%
	Maximum	7.00%	9.50%
	Minimum	6.00%	8.50%
<b>Market Yield</b>	Average	8.75%	9.43%
	Maximum	9.25%	10.00%
	Minimum	8.25%	9.00%
<b>Occupancy (rent)</b>	Occupancy (net lettable area)	78.22%	98.41%
	Weighted average lease term	2.33	1.73

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 11. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Property, Plant and Equipment</b>				
(a) Office Furniture and Equipment – cost	584,194	562,114	584,194	562,114
Plus Additions	10,518	23,887	10,518	23,887
Less Disposals	(63,272)	(1,807)	(63,272)	(1,807)
Closing Value – cost	531,440	584,194	531,440	584,194
Office Furniture and Equipment – Accumulated Depreciation	(360,338)	(275,992)	(360,338)	(275,992)
Less Depreciation Charge	(64,828)	(85,220)	(64,828)	(85,220)
Less Disposals	58,423	874	58,423	874
Closing Accumulated Depreciation	(366,743)	(360,338)	(366,743)	(360,338)
<b>Net Book Value</b>	<b>164,697</b>	<b>223,856</b>	<b>164,697</b>	<b>223,856</b>

The Net Deficit after Taxation in the Statement of Financial Performance includes a \$4,849 loss on disposal of fixed assets (2013: \$499).

**Intangible Assets**

(b) Software – cost	426,182	418,731	426,182	418,731
Plus Additions	34,500	7,451	34,500	7,451
Less Disposals	-	-	-	-
Closing Value – cost	460,682	426,182	460,682	426,182
Software – Accumulated Amortisation	(360,741)	(308,486)	(360,741)	(308,486)
Less Amortisation Charge	(47,430)	(52,255)	(47,430)	(52,255)
Less Disposals	-	-	-	-
Closing Accumulated Amortisation	(408,171)	(360,741)	(408,171)	(360,741)
<b>Net Book Value</b>	<b>52,511</b>	<b>65,441</b>	<b>52,511</b>	<b>65,441</b>

**NOTE 12. CONTINGENT LIABILITIES**

There are no contingent liabilities.

**NOTE 13. FINANCIAL INSTRUMENTS****(1) Financial Assets and Liabilities**

The carrying amounts of all financial assets and liabilities are considered to be equivalent to their market value, which for these assets and liabilities is also considered to be fair value. The Subordinated Debt is measured at amortised cost which is considered to be fair value.

All fixed interest investments were managed around a 90 day duration and carry a minimum Standard and Poors credit rating of “A1” or equivalent.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 13. FINANCIAL INSTRUMENTS CONTINUED

## (1) Financial Assets and Liabilities continued

## Carrying value of Financial Assets and Financial Liabilities

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Financial Asset: Held to Maturity</b>				
NZ Government Stock	100,697	103,482	100,697	103,482
<b>Total Held to Maturity</b>	<b>100,697</b>	<b>103,482</b>	<b>100,697</b>	<b>103,482</b>
<b>Financial Asset: Loans and Receivables</b>				
Sundry Debtors	79,648	19,314	79,640	19,307
Premiums Receivable	-	-	-	-
<b>Total Loans and Receivables</b>	<b>79,648</b>	<b>19,314</b>	<b>79,640</b>	<b>19,307</b>
<b>Financial Asset: Carried at Amortised Cost</b>				
Bank & Cash Equivalents	4,224,278	8,345,202	4,173,716	8,294,624
<b>Financial Liability: Amortised Cost</b>				
Subordinated Debt	120,176	120,176	-	-
Accounts Payable	606,706	120,089	606,706	120,089
Reinsurance Received in Advance	326,264	730,114	326,264	730,114
<b>Total Amortised Cost</b>	<b>1,053,146</b>	<b>970,379</b>	<b>932,970</b>	<b>850,203</b>

## (2) Financial Risk – Structure and Management

The Company & Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern. The Group's overall strategy is reviewed annually and remains unchanged.

Financial instruments which potentially subject the Company & Group to a concentration of credit risk consist principally of cash, interest bearing deposits and NZ Government stock. The Company and Group has no debt instruments.

The Company does not require collateral or other security to support financial instruments with credit risk and as such, no collateral exists for any of the investments held by the Company. The maximum credit risk exposure is the carrying amount of the individual investments.

The Company & Group has placed interest bearing deposits and funds to be managed with financial institutions and limits its amount of credit exposure to any one such institution.

## (a) Market Risk

All financial assets and liabilities are New Zealand Dollar based and are recorded at amortised cost, therefore changes in interest rates and foreign currency values do not impact on their carrying value.

## (i) Interest Rate Repricing Schedule

The following tables include the Company's and Group's financial assets and liabilities at their carrying amounts, categorised by the maturity dates.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 13. FINANCIAL INSTRUMENTS CONTINUED****(2) Financial Risk – Structure and Management continued****(a) Market Risk continued****(i) Interest Rate Repricing Schedule continued**

	Interest Rate Spread	Within 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$	\$
<b>As at 31 December 2014 (Group)</b>							
<b>Assets</b>							
Cash at Bank	0% to 4.60%	4,117,254	-	-	-	107,024	4,224,278
Other Receivable	n/a	-	-	-	-	79,648	79,648
Reinsurance Recoveries	n/a	-	-	-	-	506,976,959	506,976,959
NZ Government Stock	6.00%	100,697	-	-	-	-	100,697
<b>Total Financial Assets</b>		<b>4,217,951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>507,163,631</b>	<b>511,381,582</b>
<b>Liabilities</b>							
Sundry Creditors	n/a	-	-	-	-	606,706	606,706
Reinsurance Received in Advance	n/a	-	-	-	-	326,264	326,264
Outstanding Claims	n/a	-	-	-	-	508,569,900	508,569,900
Subordinated Debt	n/a	-	-	-	-	120,176	120,176
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>509,623,046</b>	<b>509,623,046</b>
<b>As at 31 December 2013 (Group)</b>							
<b>Assets</b>							
Cash at Bank	0% to 3.00%	8,333,673	-	-	-	11,529	8,345,202
Other Receivable	n/a	-	-	-	-	19,314	19,314
Reinsurance Recoveries	n/a	-	-	-	-	587,703,734	587,703,734
NZ Government Stock	6.00%	-	-	103,482	-	-	103,482
<b>Total Financial Assets</b>		<b>8,333,673</b>	<b>-</b>	<b>103,482</b>	<b>-</b>	<b>587,734,578</b>	<b>596,171,732</b>
<b>Liabilities</b>							
Sundry Creditors	n/a	-	-	-	-	120,089	120,089
Reinsurance Received in Advance	n/a	-	-	-	-	730,114	730,114
Outstanding Claims	n/a	-	-	-	-	590,244,400	590,244,400
Subordinated Debt	n/a	-	-	-	-	120,176	120,176
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>591,214,779</b>	<b>591,214,779</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 13. FINANCIAL INSTRUMENTS CONTINUED

## (2) Financial Risk – Structure and Management continued

## (a) Market Risk continued

## (i) Interest Rate Repricing Schedule continued

	Interest Rate Spread	Within 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$	\$
<b>As at 31 December 2014 (Parent)</b>							
<b>Assets</b>							
Cash at Bank	0% to 4.60%	4,117,254	-	-	-	56,462	4,173,716
Other Receivable	n/a	-	-	-	-	79,640	79,640
Reinsurance Recoveries	n/a	-	-	-	-	506,976,959	506,976,959
NZ Government Stock	6.00%	100,697	-	-	-	-	100,697
<b>Total Financial Assets</b>		<b>4,217,951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>507,113,061</b>	<b>511,331,012</b>
<b>Liabilities</b>							
Sundry Creditors	n/a	-	-	-	-	606,706	606,706
Reinsurance Received in Advance	n/a	-	-	-	-	326,264	326,264
Outstanding Claims	n/a	-	-	-	-	508,569,900	508,569,900
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>509,502,870</b>	<b>509,502,870</b>
<b>As at 31 December 2013 (Parent)</b>							
<b>Assets</b>							
Cash at Bank	0% to 3.00%	8,268,493	-	-	-	26,131	8,294,624
Other Receivable	n/a	-	-	-	-	19,307	19,307
Reinsurance Recoveries	n/a	-	-	-	-	587,703,734	587,703,734
NZ Government Stock	6.00%	-	-	103,482	-	-	103,482
<b>Total Financial Assets</b>		<b>8,268,493</b>	<b>-</b>	<b>103,482</b>	<b>-</b>	<b>587,749,172</b>	<b>596,121,147</b>
<b>Liabilities</b>							
Sundry Creditors	n/a	-	-	-	-	120,089	120,089
Reinsurance Received in Advance	n/a	-	-	-	-	730,114	730,114
Outstanding Claims	n/a	-	-	-	-	590,244,400	590,244,400
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>591,094,603</b>	<b>591,094,603</b>

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 13. FINANCIAL INSTRUMENTS** *CONTINUED***(2) Financial Risk – Structure and Management** *continued***(a) Market Risk** *continued***(ii) Carrying Amount and Fair Value**

	2014 Group Carrying Amount \$	2014 Group Fair Value \$	2013 Group Carrying Amount \$	2013 Group Fair Value \$
<b>Assets</b>				
Cash at Bank	4,224,278	4,224,278	8,345,202	8,345,202
Other Receivable	79,648	79,648	19,314	19,314
Reinsurance Recoveries	506,976,959	506,976,959	587,703,734	587,703,734
NZ Government Stock	100,697	100,697	103,482	103,482
<b>Total Financial Assets</b>	<b>511,381,582</b>	<b>511,381,582</b>	<b>596,171,732</b>	<b>596,171,732</b>
<b>Liabilities</b>				
Sundry Creditors	606,706	606,706	120,089	120,089
Reinsurance Received in Advance	326,264	326,264	730,114	730,114
Outstanding Claims	508,569,900	508,569,900	590,244,400	590,244,400
Subordinated Debt	120,176	120,176	120,176	120,176
<b>Total Financial Liabilities</b>	<b>509,623,046</b>	<b>509,623,046</b>	<b>591,214,779</b>	<b>591,214,779</b>
	2014 Parent Carrying Amount \$	2014 Parent Fair Value \$	2013 Parent Carrying Amount \$	2013 Parent Fair Value \$
<b>Assets</b>				
Cash at Bank	4,173,716	4,173,716	8,294,624	8,294,624
Other Receivable	79,640	79,640	19,307	19,307
Reinsurance Recoveries	506,976,959	506,976,959	587,703,734	587,703,734
NZ Government Stock	100,697	100,697	103,482	103,482
<b>Total Financial Assets</b>	<b>511,331,012</b>	<b>511,331,012</b>	<b>596,121,147</b>	<b>596,121,147</b>
<b>Liabilities</b>				
Sundry Creditors	606,706	606,706	120,089	120,089
Reinsurance Received in Advance	326,264	326,264	730,114	730,114
Outstanding Claims	508,569,900	508,569,900	590,244,400	590,244,400
<b>Total Financial Liabilities</b>	<b>509,502,870</b>	<b>509,502,870</b>	<b>591,094,603</b>	<b>591,094,603</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 13. FINANCIAL INSTRUMENTS CONTINUED

## (2) Financial Risk – Structure and Management continued

## (b) Liquidity Risk

Liquidity Risk is the risk that the Company & Group will encounter difficulties in raising funds at short notice to meet commitments associated with financial instruments. Management of liquidity risk is designed to ensure that the Company & Group has the ability to meet financial obligations as they fall due.

The following tables include an analysis of the contractual undiscounted cash flows relating to the Company's & Group's financial assets and liabilities at their face value, categorised by the maturity dates.

	Within 6 months \$	6 to 12 months \$	1 to 2 years \$	2 to 5 years \$	Total \$
<b>Maturity Analysis (Group) As at 31 December 2014</b>					
<b>Assets</b>					
Cash at Bank	4,224,278	-	-	-	4,224,278
Other Receivable	79,648	-	-	-	79,648
Reinsurance Recoveries	50,697,696	456,279,263	-	-	506,976,959
NZ Government Stock	100,000	-	-	-	100,000
<b>Total Financial Assets</b>	<b>55,101,622</b>	<b>456,279,263</b>	<b>-</b>	<b>-</b>	<b>511,380,885</b>
<b>Liabilities</b>					
Sundry Creditors	606,706	-	-	-	606,706
Reinsurance Received in Advance	326,264	-	-	-	326,264
Outstanding Claims	52,290,637	456,279,263	-	-	508,569,900
Subordinated Debt	-	-	-	120,176	120,176
<b>Total Financial Liabilities</b>	<b>53,223,607</b>	<b>456,279,263</b>	<b>-</b>	<b>120,176</b>	<b>509,623,046</b>
<b>Maturity Analysis (Group) As at 31 December 2013</b>					
<b>Assets</b>					
Cash at Bank	8,345,203	-	-	-	8,345,203
Other Receivable	19,314	-	-	-	19,314
Reinsurance Recoveries	58,770,374	528,933,360	-	-	587,703,734
NZ Government Stock	-	-	100,000	-	100,000
<b>Total Financial Assets</b>	<b>67,134,891</b>	<b>528,933,360</b>	<b>100,000</b>	<b>-</b>	<b>596,168,251</b>
<b>Liabilities</b>					
Sundry Creditors	120,089	-	-	-	120,089
Reinsurance Received in Advance	730,114	-	-	-	730,114
Outstanding Claims	61,311,040	528,933,360	-	-	590,244,400
Subordinated Debt	-	-	-	120,176	120,176
<b>Total Financial Liabilities</b>	<b>62,161,243</b>	<b>528,933,360</b>	<b>-</b>	<b>120,176</b>	<b>591,214,779</b>

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 13. FINANCIAL INSTRUMENTS** *CONTINUED***(2) Financial Risk – Structure and Management** *continued**(b) Liquidity Risk continued*

	Within 6 months \$	6 to 12 months \$	1 to 2 years \$	2 to 5 years \$	Total \$
<b>Maturity Analysis (Parent) As at 31 December 2014</b>					
<b>Assets</b>					
Cash at Bank	4,173,716	-	-	-	4,173,716
Other Receivable	79,640	-	-	-	79,640
Reinsurance Recoveries	50,697,696	456,279,263	-	-	506,976,959
NZ Government Stock	100,000	-	-	-	100,000
<b>Total Financial Assets</b>	<b>55,051,052</b>	<b>456,279,263</b>	<b>-</b>	<b>-</b>	<b>511,330,315</b>
<b>Liabilities</b>					
Sundry Creditors	606,706	-	-	-	606,706
Reinsurance Received in Advance	326,264	-	-	-	326,264
Outstanding Claims	52,290,637	456,279,263	-	-	508,569,900
<b>Total Financial Liabilities</b>	<b>53,223,607</b>	<b>456,279,263</b>	<b>-</b>	<b>-</b>	<b>509,502,870</b>
<b>Maturity Analysis (Parent) As at 31 December 2013</b>					
<b>Assets</b>					
Cash at Bank	8,294,625	-	-	-	8,294,625
Other Receivable	19,306	-	-	-	19,306
Reinsurance Recoveries	58,770,374	528,933,360	-	-	587,703,734
NZ Government Stock	-	-	100,000	-	100,000
<b>Total Financial Assets</b>	<b>67,084,305</b>	<b>528,933,360</b>	<b>100,000</b>	<b>-</b>	<b>596,117,665</b>
<b>Liabilities</b>					
Sundry Creditors	120,089	-	-	-	120,089
Reinsurance Received in Advance	730,114	-	-	-	730,114
Outstanding Claims	61,311,040	528,933,360	-	-	590,244,400
<b>Total Financial Liabilities</b>	<b>62,161,243</b>	<b>528,933,360</b>	<b>-</b>	<b>-</b>	<b>591,094,603</b>

*(c) Credit Risk*

All investments except for the \$100,000 Government Stock holding are in cash at registered banks. The registered banks have a credit rating of "AA-". All reinsurance is held with reinsurers with credit ratings no less than "A-" (AM Best scale).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## NOTE 13. FINANCIAL INSTRUMENTS CONTINUED

## (2) Financial Risk – Structure and Management continued

## (c) Credit Risk continued

## (i) Concentration of Credit Risk

The following table includes the Company's & Group's assets at their carrying amounts at balance date. This equates to the Company's and Group's maximum exposure to credit risk.

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
Cash at Registered Banks	4,224,278	8,345,203	4,173,716	8,294,625
Other Receivable	79,648	19,314	79,640	19,306
Reinsurance Recoveries	506,976,959	587,703,734	506,976,959	587,703,734
NZ Government Stock	100,697	103,482	100,697	103,482
<b>Total</b>	<b>511,381,582</b>	<b>596,171,733</b>	<b>511,331,012</b>	<b>596,121,147</b>

## (ii) Concentration of Credit Exposure

The major credit exposure greater than 10% of total assets is with the reinsurers. All reinsurers, except Local Authority Protection Programme ("LAPP"), have claims paying ratings greater than "A". LAPP is, because of its cash holdings, expected to be able to pay its liabilities to the Company and has robust reinsurance to cover its below ground related claims.

## (3) Foreign Currency Risk

Foreign currency risk is the risk that the Company and Group will incur losses through exposure to foreign exchange movements. At balance date the Company and Group had no foreign currency exposure.

## NOTE 14. RECONCILIATION OF COMPREHENSIVE INCOME AFTER TAX WITH CASH FLOW FROM OPERATING ACTIVITIES

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Total Comprehensive Surplus/(Loss)</b>	897,200	(620,122)	968,568	(613,522)
<b>Add/(less) non cash items</b>				
Depreciation	64,828	85,220	64,828	85,220
Amortisation	47,430	52,255	47,430	52,255
Movement in Insurance Provisions	(82,078,350)	(239,372,395)	(82,078,350)	(239,372,395)
Movement in Deferred Tax Liability	201,572	(187,943)	201,572	(187,943)
Effective interest rate adjustments	-	-	-	-
Net change in fair value of investment property	(430,000)	165,000	(430,000)	165,000
Share of Profit/(Loss) of Associate	101,349	6,590	-	-
Unrealised net change in value of investments	2,785	4,136	2,785	4,136
	(82,090,386)	(239,247,137)	(82,191,735)	(239,253,727)

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 14. RECONCILIATION OF COMPREHENSIVE INCOME AFTER TAX WITH CASH FLOW FROM OPERATING ACTIVITIES** CONTINUED

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Add/(less) movements in other working capital items</b>				
Accounts Receivable	80,835,661	231,774,115	80,835,663	231,774,129
Accounts Payable	(3,840,677)	1,825,078	(3,840,675)	1,825,078
Reinsurance Received in Advance	-	-	-	-
Maturing Local Authority Stock	-	-	-	-
Tax Refund Due	117,438	40,945	117,438	40,945
Maturing Civic Bonds	-	-	-	-
	77,112,422	233,640,138	77,112,426	233,640,152
Add/(Less) Items Classified as investing activity	(60,150)	(49,500)	(30,150)	(49,500)
Add/(Less) Items Classified as financing activity	7	7	7	7
<b>Net Cash Flow from Operating Activities</b>	<b>(4,140,906)</b>	<b>(6,276,614)</b>	<b>(4,140,883)</b>	<b>(6,276,590)</b>

**NOTE 15. OPERATING LEASE COMMITMENTS**There are the following operating lease **expense** commitments:

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
not later than one year	17,277	15,588	17,277	15,588
later than one year but not later than two years	16,176	15,588	16,176	15,588
later than two years but not later than five years	47,854	31,380	47,854	31,380
later than five years	-	-	-	-
	81,307	62,556	81,307	62,556

There are the following operating lease **income** commitments:

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
not later than one year	666,470	814,415	666,470	814,415
later than one year but not later than two years	495,578	564,918	495,578	564,918
later than two years but not later than five years	494,795	780,287	494,795	780,287
later than five years	221,960	-	221,960	-
	1,878,803	2,159,620	1,878,803	2,159,620

**NOTE 16. SUBORDINATED DEBT**

NZ Local Government Finance Corporation Ltd's (NZLGFC) Investment Manager's brokerage was subordinated. The subordinated loan ranks behind all other NZLGFC creditors. Under the terms of the subordination, amounts payable including interest shall only be payable at such time, or times, as the Directors determine that the Company has available funds to make such payments. NZLGFC ceased active operations in February 2010.

**NOTE 17. RELATED PARTIES**

During the reporting period the Company administered risk financing products provided to Local Authorities, some of which are shareholders of the Company (shareholders are listed at the back of the annual report).

The Company is the Fund Manager and, for the period 1 July 2008 to 30 June 2012, was an insurer for New Zealand Mutual Liability Riskpool ("Riskpool"). Local Government Mutual Funds Trustee Limited ("LGMFTL") has been appointed to act as the Trustee for Riskpool. The Company holds all of the shares in LGMFTL in trust on behalf of Riskpool's members. Following an increase in services, during the year the Company charged fund management fees to Riskpool of \$889,066 (2013: \$776,587). The balance outstanding at balance date for Riskpool was \$nil (2013: \$nil). The Company received insurance premiums of \$nil (2013: \$nil). Claims outstanding (Civic to Riskpool) at balance date is \$494,541 (2013: \$1,476,000).

The Company is the Administration Manager and was an insurer for New Zealand Local Authority Protection Programme Disaster Fund ("LAPP") for the year to 30 June 2011. Following a decrease in services relating to LAPP's court cases, both of which it won, during the year the Company charged administration fees to LAPP of \$445,058 (2013: \$529,060). The balance outstanding for administration fees at balance date for LAPP was \$nil (2013: \$nil). The Company received insurance premiums of \$nil (2013: \$nil) and paid reinsurance premiums of \$nil (2013: \$nil). Claims payments made to LAPP were \$1,451,204 (2013: \$8,098,366) and claims reinsurance recovered from LAPP were \$1,171,963 (2013: \$2,230,822). Claims outstanding due as at 31 December 2014 was \$nil (2013: \$nil). At 31 December 2014 there is a balance outstanding of \$495,550 for catastrophe reinsurance allocated to LAPP that was received by the Company in December 2014.

The Company is the Administration and Investment Manager of the Local Government Superannuation Scheme and SuperEasy KiwiSaver Superannuation Scheme ("SuperEasy"). Local Government Superannuation Trustee Limited ("LGSTL") has been appointed to act as the Trustee for SuperEasy. Graeme R Mitchell is appointed to act as the independent Trustee for SuperEasy. The Company holds all of the shares in LGSTL. During the year the Company charged administration and investment management fees to SuperEasy of \$1,074,957 (2013: \$838,400). The balance outstanding at balance date is \$212,800 (2013: \$226,594) and is included in sundry debtors and prepayments. The audit fee incurred by the superannuation funds of \$32,375 (2013: \$31,150) is paid by the Company out of the management fee received.

The Company is the Administration Manager of Civic Property Pool ("CPP"). During the year the Company charged administration fees to CPP of \$22,147 (2013: \$11,233). The balance outstanding for administration fees at balance date for CPP was \$nil (2013: \$nil).

NZ Local Government Finance Corporation Limited has a subordinated debt owed to the Company of \$298,750 (2013: \$298,750).

Mr John Melville was appointed to the Board on 6 March 2013. Mr Melville was the senior Principal of the Actuarial firm Melville Jessup Weaver (MJW) working out of the Wellington office. At the time of Mr Melville's appointment he disclosed his interest in MJW and also advised that he had announced his retirement from MJW which was effective from 31 March 2013. Mr Melville has no continuing association with MJW. Actuarial work relating to the Company's affairs had been and still continues to be performed by Principals based in MJW's Auckland office.

The Company holds 25% of the shares of Local Government Online Limited (LGOL) and provided accounting services to LGOL. During the year the Company charged administration fees of \$4,100 (2013: \$8,187). The balance outstanding at balance date was \$nil (2013: \$nil). During the year LGOL returned shareholders' capital, ceased operations on 31 March 2014 and is in the process of being wound up.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 17. RELATED PARTIES** CONTINUED**Key Management Personnel**

The compensation of the Directors and executives, being the key management personnel of the Company and Group is set out below:

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Compensation</b>				
Short-term employee benefits	940,413	858,590	940,413	858,590
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
	<b>940,413</b>	<b>858,590</b>	<b>940,413</b>	<b>858,590</b>

**NOTE 18. ANALYSIS OF FINANCIAL ASSETS NOT IMPAIRED**

	Not due	Past due	30 days	60 days	Total \$	
<b>2014</b>	Trade Debtors	78,701	-	-	939	79,640
	Premiums Receivable	-	-	-	-	-
	Reinsurance Recoveries	506,976,959	-	-	-	506,976,959
	<b>507,055,660</b>	<b>-</b>	<b>-</b>	<b>939</b>	<b>507,056,599</b>	
<b>2013</b>	Trade Debtors	206,027	-	-	-	206,027
	Premiums Receivable	-	-	-	-	-
	Reinsurance Recoveries	587,703,734	-	-	-	587,703,734
	<b>587,909,761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>587,909,761</b>	

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2014

**NOTE 19. STANDARDS APPROVED BUT NOT YET EFFECTIVE****Standards and Interpretations in issue not yet adopted**

At the date of authorisation of the financial report, a number of Standards and Interpretations were in issue that were relevant to the Group, but not yet effective.

Initial application of the following Standards will not affect any of the amounts recognised in the financial report or change the presentation and disclosures presently made in or relation to the Company's and Group's financial report:

	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
Revised NZ IFRS 9 'Financial Instruments'	1 January 2017	31 December 2017
Amendments to NZ IAS 32 Offsetting Financial Assets and Financial Liabilities	1 January 2015	31 December 2015

**NOTE 20. SHAREHOLDERS EQUITY**

The Share Capital of the Company and Group comprises solely authorised and issued ordinary shares with each share ranking equally in votes, dividends and surpluses. During the year no new shares were issued.

	2014 Group \$	2013 Group \$	2014 Parent \$	2013 Parent \$
<b>Retained Earnings</b>				
Opening Balance	1,787,650	2,407,772	1,782,593	2,396,115
Net Surplus/(loss) After Taxation	897,200	(620,122)	968,568	(613,222)
<b>Closing balance</b>	<b>2,684,850</b>	<b>1,787,650</b>	<b>2,751,161</b>	<b>1,782,593</b>

**NOTE 21. EQUITY RETAINED FOR FINANCIAL SOUNDNESS**

All shareholder equity is retained to ensure the financial soundness of the Company and Group. The high level of liquidity in fixed interest (\$4.2m) investments is retained for cash flow purposes and also to balance the funds allocated in the building investment. The Company & Group believes that a high liquidity ratio is necessary for attaining an A- (Excellent) claims paying ability rating from AM Best.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2014 *continued***NOTE 22. COMPARISON WITH STATEMENT OF INTENT**

The following is a comparison of the actual performance against the Statement of Intent for the year ended 31 December 2014.

	SI Target	Actual
<ul style="list-style-type: none"> <li>Annual claims paying ability rating by AM Best</li> </ul>	"A-" (Excellent)	"B+, negative outlook"

The primary reason for the Company not meeting performance targets is due to the flow on effects of the Canterbury Earthquakes on 22 February 2011 and 13 June 2011.

**NOTE 23. GOING CONCERN**

The magnitude of the Canterbury events has had a significant impact on the operational and financial results of the Company, with over 3,000 claims being submitted. As at 31 December 2014 the Outstanding Claims Liability in relation to Canterbury earthquake claims as determined by the Company's independent actuary was in excess of \$508m (2013: \$590m). The financial impact to the Company of the considerable gross claims costs has been significantly mitigated by its catastrophe reinsurance programme, which limits the net of reinsurance claims costs to \$3.6m per event. At 31 December 2014 the Company had settled \$8.6m (2013: \$8.4m) of its exposure leaving the Company's net outstanding claims liability at \$4.2m (2013: \$5.0m). Of this amount \$3.3m (2013: \$2.9m) relates to its remaining exposure to the Canterbury earthquake claims. The financial statements have been prepared on a going concern basis, the validity of which depends, inter alia, on the limitation of the net liability to \$4.2m.

As a consequence of the Canterbury earthquakes and some reinsurance issues, the Company's claims payable credit rating was reduced by AM Best in 2013 to "B+, negative watch" which remains as at 31 December 2014. The Company had been unable to obtain property reinsurance from 1 July 2011 and for this reason the Company ceased offering material damage cover for this year. For the year commencing 30 June 2012 the Company was able to secure reinsurance and was able to offer material damage cover however without an upgrade in the AM Best rating the cover offered was not taken up. The Reserve Bank of New Zealand has issued the Company a provisional licence under the Insurance (Prudential Supervision) Act 2010, and the Company is in the process of applying for a full licence. However presently it is a condition of the provisional licence that the Company does not write any new business.

During the year the Company was successful in the arbitration with one of its reinsurers. The second arbitration with another of its reinsurers relating to the limits of cover under the reinsurance programme was held in December 2014. The result is pending. This reinsurer has favourable credit ratings which endorses their ability to pay.

Based on external legal advice the Directors believe that the case against this reinsurer is sound and that the amount accounted for as receivable is legally and contractually payable. The Company expects to meet its liabilities. The Directors do acknowledge the inherent uncertainties associated with the outcome of any legal dispute and that there is uncertainty as to when the Company will resume its insurance business activities.

The Directors note that legal costs in 2014 of \$1,713,720 (2013: \$611,945) relate to the reinsurance recoveries and are regarded as one off costs.

The deferred tax asset has been reviewed at balance date. The Directors believe that it is probable that sufficient taxable profits will be available to allow all the asset to be recovered as the Company expects to resume its insurance business activities. The amount of deferred tax assets considered realisable, however, could change.

**NOTE 23. GOING CONCERN** CONTINUED

The resolution of the reinsurance issues is necessary to enable the Company to restore a claims payable credit rating of “A-” or better, which is a pre-requisite for Local Authorities being able to resume placing their property damage insurance with the Company.

The financial statements do not include any adjustments that would result should the aforementioned not materialise. Adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amount at which they are currently recorded in the Statement of Financial Position. It is possible the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and liabilities as current assets and liabilities.

**NOTE 24. SUBSEQUENT EVENTS****Share Offer**

In 2012 the Company issued a share offer to shareholders and other non-shareholding local authorities in New Zealand to subscribe for shares in the Company. The share offer was extended and will close on 19 June 2015 unless the closing date is further extended.



## INDEPENDENT AUDITOR'S REPORT

To the readers of New Zealand Local Government Insurance Corporation Limited and Group's Financial Statements for the year ended 31 December 2014

The Auditor-General is the auditor of New Zealand Local Government Insurance Limited (the 'Company') and Group. The Auditor-General has appointed me, Dave Shadwell, using the staff and resources of Deloitte to carry out the audit of the financial statements of the Company and Group on her behalf.

We have audited the financial statements of the Company and Group on pages 7 to 41, that comprise the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

### OPINION

#### FINANCIAL STATEMENTS

In our opinion the financial statements of the Company and Group on pages 7 to 41:

- comply with generally accepted accounting practice in New Zealand;
- comply with International Financial Reporting Standards; and
- give a true and fair view of the Company's:
  - financial position as at 31 December 2014; and
  - financial performance and cash flows for the year ended on that date.

#### VALIDITY OF THE GOING CONCERN BASIS ON WHICH THE FINANCIAL STATEMENTS HAVE BEEN PREPARED

Without modifying our opinion, we considered the adequacy of the disclosures made in note 23 on page 40 & 41 about the going concern assumption, which notes that:

- the Company is currently in arbitration with one of its reinsurers relating to the limits of cover under the reinsurance programme; and
- the validity of the going concern assumption on which the financial statements are prepared depends, inter alia, on the limitation of the Company's net outstanding claims liability to \$4.2m.

Also as set out in note 23, there is uncertainty as to:

- when the Company will be able to resume its insurance business activities; and
- whether the Company will make sufficient profits to allow all of the deferred tax asset to be recovered.

We consider the disclosures to be adequate.

#### OTHER LEGAL REQUIREMENTS

In accordance with the Financial Reporting Act 1993 we report that, in our opinion, proper accounting records have been kept by the Company and Group as far as appears from an examination of those records.

Our audit was completed on 25 March 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities, and explain our independence.

## BASIS OF OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Company and Group's financial statements that give a true and fair view of the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company and Group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Directors;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

In accordance with the Financial Reporting Act 1993, we report that we have obtained all the information and explanations we have required. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of the Company's financial position, financial performance and cash flows for the year ended on that date.

The Board of Directors is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for the publication of the financial statements, whether in printed or electronic form.

The Board of Directors' responsibilities arise from the Financial Reporting Act 1993.

## RESPONSIBILITIES OF THE AUDITOR

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001.

## INDEPENDENCE

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, and taxation compliance services, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor of the Company or any of its subsidiaries.



Dave Shadwell  
**DELOITTE**  
**ON BEHALF OF THE AUDITOR-GENERAL**  
**WELLINGTON, NEW ZEALAND**



25 March 2015

Roger Gyles  
General Manager – Finance  
Civic Assurance  
PO Box 5521  
WELLINGTON 6145

Dear Roger

### Formal Statements – Section 78 Report

Section 78 of the Insurance (Prudential Supervision) Act 2010 (“Act”) requires that the Appointed Actuary make the following statements:

- This report has been completed by Craig Lough FNZSA, Appointed Actuary to Civic Assurance (‘Civic’).
- I have provided to Civic an Insurance Liability Valuation Report as at 31 December 2014 (dated 25 March 2015). In that report I provided determinations of the outstanding claims provisions and the premium liabilities for Civic. These have been used in Civic’s financial accounts.

I have also carried out an assessment of the Company’s current and expected future solvency position determined under the Solvency Standard for Civic Assurance issued by the Reserve Bank of New Zealand in August 2013.

- There were no restrictions or limitations placed on my work or on my report.
- I have no relationship with Civic other than being its Appointed Actuary. I hold no interests in Civic.
- I obtained all of the information I required.
- In my opinion and from an actuarial perspective (and subject to the comments below):
  - the actuarial information included in the Civic financial statements as at 31 December 2014 was appropriately included in those financial statements, and
  - the actuarial information used in the preparation of the Civic financial statements as at 31 December 2014 was used appropriately.
- The solvency margin that applies to Civic under a condition imposed under section 21(2)(b) of the Insurance (Prudential Supervision) Act 2010 as at 31 December 2014 was the margin set out in their provisional licence issued by the Reserve Bank of New Zealand in August 2013. Civic do not currently maintain that solvency margin as at 31 December 2014.

Yours sincerely

Craig Lough FNZSA  
Appointed Actuary



## CIVIC ASSURANCE SHAREHOLDERS AS AT 31 DECEMBER 2014

SHAREHOLDER MEMBER	NO. OF SHARES		SHAREHOLDER MEMBER	NO. OF SHARES	
<b>CITY COUNCILS</b>			<b>DISTRICT COUNCILS (Cont'd)</b>		
Auckland	2,195,042	19.9%	Rotorua	175,906	1.6%
Christchurch	1,417,704	12.9%	Ruapehu	56,666	0.5%
Dunedin	470,966	4.3%	Southland	13,715	0.1%
Hamilton	202,729	1.8%	South Taranaki	135,496	1.2%
Hutt	479,822	4.4%	South Waikato	42,374	0.4%
Invercargill	407,927	3.7%	South Wairarapa	53,930	0.5%
Napier	283,842	2.6%	Stratford	65,608	0.6%
Nelson	95,543	0.9%	Tararua	99,972	0.9%
Palmerston North	411,737	3.7%	Tasman	65,584	0.6%
Porirua	140,146	1.3%	Taupo	83,971	0.8%
Upper Hutt	51,209	0.5%	Tauranga	124,242	1.1%
Wellington	526,821	4.8%	Thames-Coromandel	7,120	0.1%
			Timaru	230,118	2.1%
			Waikato	41,070	0.4%
<b>DISTRICT COUNCILS</b>					
Ashburton	56,016	0.5%	Waimakariri	88,172	0.8%
Buller	27,698	0.3%	Waimate	30,458	0.3%
Carterton	23,642	0.2%	Waipa	149,082	1.4%
Central Hawke's Bay	28,580	0.3%	Wairoa	22,992	0.2%
Central Otago	91,238	0.8%	Waitaki	120,000	1.1%
Clutha	33,711	0.3%	Waitomo	16,940	0.2%
Far North	35,440	0.3%	Wanganui	289,660	2.6%
Gisborne	99,404	0.9%	Western Bay of Plenty	28,142	0.3%
Gore	44,589	0.4%	Westland	16,356	0.1%
Grey	33,742	0.3%	Whakatane	38,788	0.4%
Hastings	129,170	1.2%	Whangarei	63,524	0.6%
Hauraki	63,434	0.6%			
Horowhenua	110,689	1.0%	<b>REGIONAL COUNCILS</b>		
Hurunui	14,000	0.1%	Canterbury	152,696	1.4%
Kaipara	13,629	0.1%	Waikato	22,000	0.2%
Kapiti Coast	15,060	0.1%	Horizons	2,000	0.0%
Kawerau	31,161	0.3%	Taranaki	1,000	0.0%
Manawatu	203,964	1.8%	Wellington	80,127	0.7%
Marlborough	86,022	0.8%			
Masterton	127,230	1.2%	<b>OTHER</b>		
Matamata-Piako	122,554	1.1%	TrustPower	137,251	1.2%
New Plymouth	441,456	4.0%			
Otorohanga	5,000	0.0%			
Queenstown-Lakes	31,149	0.3%			
Rangitikei	23,338	0.2%			
			<b>Total Shares</b>	<b>11,030,364</b>	

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Waitomo District Council

**COPY**

**Date: 4/05/2015**

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**File #:054/001E**

Mr Chris Ryan  
Chief Executive  
Waitomo District Council  
PO Box 404  
**TE KUITI 3941**

29 April 2015

Dear Chris

**Statement of Intent for 2015**

Enclosed is Civic's 2015 Statement of Intent. It is unchanged from the draft.

Last year was a better-than-expected year for Civic and our audited accounts for 2014 show a profit before tax of \$1.1 million. Civic is also budgeting for a profit for 2015.

Civic has settled its claim in full with Environment Canterbury for \$36 million (including GST). A mediation to settle Christchurch City Council's 2010/11 earthquake claims is set down for the second week of September in which Civic's three main reinsurers will be participating. If the mediation is successful, all of Civic's earthquake claims should be settled before the end of 2015.

Also enclosed are two handouts from the LAPP and Riskpool member meetings.

Yours sincerely

Tim Sole  
Chief Executive  
DDI: 04-978-1254  
Email:

[tim.sole@civicassurance.co.nz](mailto:tim.sole@civicassurance.co.nz)

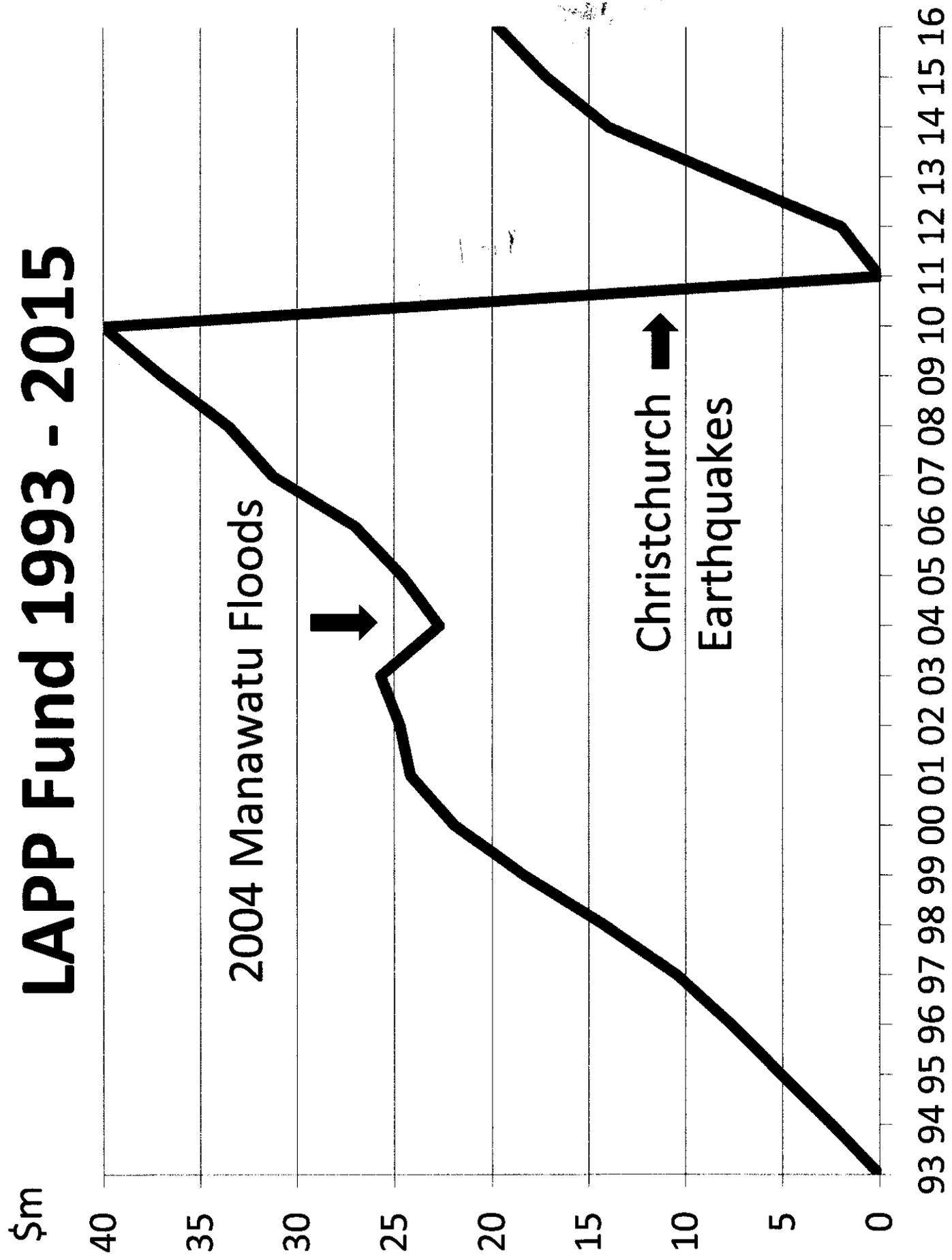
Civic Assurance,  
116 Lambton Quay,

PO Box 5521, Wellington 6145,

<http://www.civicassurance.co.nz>

Tel: (04) 978 1250 Fax: (04) 978 1260

# LAPP Fund 1993 - 2015





**NEW ZEALAND LOCAL GOVERNMENT  
INSURANCE CORPORATION LIMITED  
trading as Civic Assurance**

**STATEMENT OF INTENT**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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## **1.0 Mission Statement**

<b>Mission Statement of Civic Assurance</b>
To provide insurance, risk-financing and superannuation solutions to the local government sector

## **2.0 Corporate Goals**

The specific goals of the Company are:

- 2.1 To operate as a sound and successful business.
- 2.2 To be the primary supplier of insurance, risk-financing and superannuation services to the local government sector.
- 2.3 To investigate and facilitate, as appropriate, new products and markets in insurance, risk-financing and superannuation.
- 2.4 To regain a claims paying ability rating of A- or better.

### **3.0 Nature and Scope of Activities**

Civic's primary role is to provide insurance, risk-financing and superannuation services to the local government sector.

- 3.1 For traditional insurance, the Company has always offered and intends to offer in the future:
  - Competitive prices.
  - An honest and fair process for managing claims.
  - Products from which the profits are returned to the sector through the Company's local government shareholders.
- 3.2 The Company provides administration, reinsurance, accounting, and a range of other services to Civic Property Pool, Riskpool and LAPP.
- 3.3 The Company provides superannuation services for local government and local government staff via SuperEasy and SuperEasy KiwiSaver.
- 3.4 The Company investigates and facilitates as appropriate new insurance, risk-financing and superannuation services and/or markets that it believes will prove beneficial to its shareholders and the local government sector.
- 3.5 In a modest and selective way the Company provides sponsorship for a range of local government activities at regional and national level.

## **4.0 Profits, Dividend Policy & Projections**

The Company historically has three main sources of revenue: insurance premiums, investment income, and fees from providing administration and accounting services. The profit outlook is as follows:

**Profits from providing insurance:** These will take a while to rebuild following the Company's withdrawal from the property insurance market after it was unable to secure suitable reinsurance terms for 1 July 2011. The Company intends to re-enter the property insurance market once it has settled its Canterbury earthquake claims.

**Profits from investment income:** An environment of lower interest rates and investment returns inevitably means less investment income. Civic's investment return is strongly influenced by the investment performance of its nine-story office block at 114 Lambton Quay, Wellington.

**Profits from providing administration and accounting services:** The fee income generated contributes significantly to Civic's overheads. This source of revenue will continue to increase as the SuperEasy funds under management continues to increase.

Until such time that Civic has re-established itself as a local government property underwriter, it is not meaningful to provide financial projections.

## **5.0 Performance Targets and Measures**

- 5.1 To resolve Civic's disputes with its reinsurers and settle its Canterbury earthquake claims.
- 5.2 To obtain and maintain a claims paying ability rating from rating agency AM Best of 'A- (Excellent)' or better.
- 5.3 To provide superannuation services to at least 90% of local authorities.
- 5.4 To continue to be an efficient and effective administration manager for Civic Property Pool, Riskpool and LAPP.

## **6.0 Reporting to Shareholders**

- An annual report for 2014 by 31 May 2015 containing:
  - A review of the Company's operations by Directors
  - Statement of Financial Performance
  - Statement of Movements in Equity
  - Statement of Financial Position
  - Statement of Cash Flows
  - Notes to the Financial Statements
  - Auditor's Report on the above Financial Statements
  
- A report on the first half of 2015 by 30 September 2015 containing:
  - A review of the Company's operations during the half year
  - Unaudited half-yearly accounts

## **7.0 Acquisitions**

Any acquisition which is equivalent to 50% or more of the Company's assets will fall under the definition of a "major transaction" in the Company's constitution and approval of the shareholders will be sought in accordance with the constitution. Any acquisition which is equivalent to 25% or more but less than half of the Company's assets will fall under the definition of a "minor transaction" in the Company's constitution, and consultation with shareholders will take place.

## **8.0 Transactions with Related Parties**

The Company has 67 local authority shareholder members plus TrustPower (holding 1.24% at 1 January 2015). The Local Government Superannuation Trustee Limited and Local Government Mutual Funds Trustee Limited are wholly owned subsidiaries of the Company. Because it is sharing management resources, the Local Authority Protection Programme (LAPP) and Civic Property Pool are also considered to be related parties. Transactions with shareholder members include a wide range of insurances, other risk-financing services, and superannuation related financial services.

Charges from shareholder members and charges to shareholder members will be made for services provided as part of the normal trading activities of the Company and its subsidiaries. Transactions with shareholder members are on a wholly commercial basis.

## TEN REASONS FOR USING RISKPOOL

1. The best way of managing local government liability risk is by councils combining their claims management through a mutual fund such as Riskpool. **Riskpool carefully and strategically manages its claims to avoid unwanted precedents for the sector and creates favourable precedents wherever possible.** Insurers on the other hand will manage their claims on a case-by-case basis purely to minimise their costs.

Nine other reasons for supporting Riskpool are given below:

2. Riskpool provides continuity and keeps the insurance market honest. If Riskpool did not exist then those councils using insurance would be paying much higher premiums than they do at the moment.
3. Riskpool is the sector specialist: Riskpool cares!
4. History tells us that local government liability cover may not always be available, if available at all, on satisfactory terms and conditions. Insurance cover for the future is not guaranteed.
5. Riskpool is owned by the members for the members. Members come first.
6. Riskpool has access to the buying and negotiating power of the much bigger Australian local government reinsurance programme.
7. Using a panel of reinsurers diversifies risk when compared to the 'all-the-eggs-in-one-basket' of using a single insurer. An insurer may be 'A' rated today, but will it still be in years to come when your claim is payable?
8. Unlike insurance companies, Riskpool has no shareholders and therefore no dividends to fund.
9. Riskpool's risk management advice benefits the whole sector because a claim on one council can lead to an unwanted precedent for all councils.
10. Insurers' attitudes to paying claims vary over time. Riskpool has always maintained a positive attitude to paying claims – and always will.

## **FIVE (FALSE) REASONS FOR NOT USING RISKPOOL**

1. Good risks subsidise the poor. This comment by an insurance advisor happens to be true. However, Riskpool doesn't know, and neither does the individual who made this statement know, which are the good risks today and which are the poor. We will know in the future when the claims come in, but not now. Riskpool contributions are calculated by a leading New Zealand firm of consulting actuaries using eighteen years of Riskpool claims data. Riskpool's contribution rates are as equitable as we can make them.
2. Although extremely unlikely, members of Riskpool's 2015-16 Fund Year could be subject to a call. True, if one of Riskpool's 2015-16 reinsurers failed then it is possible that Riskpool may not have sufficient funds to cover that failure. However, a council's insurer could equally fail – in any financial transaction there is always a credit risk. Note: Riskpool's lead reinsurer is QBE; if QBE failed (considered very unlikely) then councils insuring directly with QBE will be much harder hit than members covered by Riskpool. It is also true that members of Riskpool's fund years prior to 2010 when Riskpool did not have full reinsurance may be subject to further calls, but hopefully not.
3. Councils have been advised by one of New Zealand's largest brokers that Riskpool retrospectively withdrew cover from Christchurch City Council on the news that CCC lost its IANZ accreditation. This is wrong. Although Riskpool would have been entitled to reject CCC's existing notifications relating to its Building Act losses, importantly it (and its reinsurers) did not. An insurance company in the same situation probably would have taken the opportunity to cancel CCC's cover and saved themselves years of claims.
4. Riskpool has no contractual obligation to pay claims. True, Riskpool is a discretionary fund, but its reinsurance arrangements are contracts, so Riskpool can make sure it is paid and then, being a fund that exists for its members, will make sure the member gets paid. Discretion is a good thing! In eighteen years Riskpool has only ever rejected three claims.
5. It has also been stated by one of New Zealand's largest brokers that insurers have greater capacity for risk than Riskpool. Really? Only Riskpool offers New Zealand councils \$200 million of cover each. If your broker can guarantee that you don't need that level of cover, then just ask them to put that in writing. Width of cover? As it says above, in eighteen years Riskpool has only ever rejected three claims.

**Document No:** 365169**File No:** 004/004**Report To: Council****Meeting Date:** 23 June 2015**Subject: Progress Report – Implementation of Communications Strategy**

### **Purpose of Report**

- 1.1 The purpose of this business paper is to brief Council on progress made with various Communications projects identified within the Communications Strategy Implementation Plan as well as those that have arisen during the year.

### **Local Government Act S.11A Considerations**

- 2.1 There are no considerations relating to Section 11A of the Local Government Act in regards to this business paper.

### **Risk Considerations**

- 3.1 No risks have been identified in regards to matters contained in this business paper.

### **Background**

- 4.1 The Communications Strategy Implementation Plan was adopted by Council in November 2012.
- 4.2 The focus is on activities and key projects to be undertaken in order to implement the strategic intent.
- 4.3 The following update covers the areas of corporate communications recently completed.

### **Commentary**

- 5.1 **Consultation Document for the Long Term Plan 2015-25**
- 5.2 A Communications and consultation project plan was developed to increase the public's awareness of the consultation for the LTP.
- 5.3 The publication of information in the Waitomo News included:

- A public notice that included all the necessary information including where the key documents can be obtained from and the consultation period timeline.
  - Three display adverts that highlighted the key focus areas; Economic Development, reducing public debt and key projects.
- 5.4 The consultation was also promoted in the Waitomo News with an article published on 14 April.
- 5.5 The LTP webpage contained all the required supporting information and a submission form.
- 5.6 Other methods used to communicate this information included Facebook, radio notices, WDC's website and we placed information and posters downstairs at the reception area of WDC, the Library, the Visitor Information Centre as well as the key locations across the district.
- 5.7 Drop-boxes return freepost envelopes, additional copies of the Consultation Document were provided at these locations to make it easier for people to provide their submission to Council.
- 5.8 A series of internal communications was provided in the staff newsletter, intranet and email.
- 5.9 Feedback regarding distribution
- 5.10 Investigation was required following feedback about non-delivery of the LTP to a small number of Mokau residents.
- 5.11 Staff members who live rurally were asked if they had received their copy of the CD and confirmed that they had received it in early April.
- 5.12 After discussion with WDC's service provider Reach Media and NZ Post's supervisor for the area, it was identified that an error was made by the individual contractor and that person was expecting a different publication than the 'Consultation Document' that was provided for distribution.
- 5.13 The contractor was contacted by phone and provided a verbal confirmation that this issue would be rectified by the individual contractor. Therefore no further involvement was required by WDC in this regard.
- 5.14 Feedback regarding distribution to out of district ratepayers
- 5.15 WDC currently utilises a 'district-wide' letterbox drop approach when sending out consultation documents and newsletters.
- 5.16 On the 21 April feedback was received from Councillor Brodie regarding the non-delivery of the CD to out of district ratepayers.
- 5.17 We are currently looking into the costs involved in moving to addressed/ paid mail delivery to ratepayers.
- 5.18 **Facebook**
- 5.19 **Waitomo District Council's** Facebook page is a communication tool used to keep the public updated on decisions made by Council and provide general information on Council activities and services.

- 5.20 The reach of the Facebook page continues to grow. Likes have increased from 742 likes to 779 (as at 5 June 2015).
- 5.21 Any relevant community posts are shared with the **Visitor Information** Facebook page. This page currently has 180 likes, and is used to promote events and activities available across the District as well as sharing WDC news.
- 5.22 Waitomo District Council **Animal Control Officer** Facebook page is serving as a useful tool to engage the community on dog related issues and to provide information that will encourage responsible dog ownership.
- 5.23 The page has grown to 420 likes (an average of +2 likes a week).
- 5.24 People share the animal control page, provide feedback on local dog owners and also send enquiries about lost dogs.
- 5.25 We continue to encourage people to contact WDC directly on 0800 932 4357 with their Service Request, to ensure that each SR is processed in the correct manner and recorded in the system.
- 5.26 **Mayor Brian Hanna's** Facebook page is an excellent way to increase awareness of the leadership role of our Mayor and his involvement in the community.
- 5.27 The page has grown to 188 likes. Regular posts will help to increase the reach and likes for this page.
- 5.28 The followings provides an insight into the people following WDC's facebook page:
- 5.29 Demographics – age and gender
- 5.30 A 'fan' is a facebook user who 'likes' a particular page. If a user chooses to 'like' a page, they are then able to get updates from that page's administrator through status updates, link posts, and event invitations.
- 44% of our fans are male.
  - 56% of our fans are female.
- 5.31 The location of our page's fans is included in the following table:

<b>City</b>	<b>Your Fans</b>
Auckland, New Zealand	102
Hamilton, Waikato, New Zealand	87
Waitomo, New Zealand	103
New Plymouth, Taranaki, New Zealand	32
Christchurch, Canterbury, New Zealand	27
Te Awamutu, Waikato, New Zealand	22
Wellington, New Zealand	26
Invercargill, Southland, New Zealand	20
Otorohanga, Waikato, New Zealand	23
Waitomo Caves, New Zealand	16

- 5.32 **Waitomo Way newsletter**
- 5.33 The newsletter is currently being published every two months and delivered to letterboxes across the Waitomo district. The newsletter is also available online via the 'buzzit' website.

- 5.34 The topics included in the newsletter vary with each issue from roads to library information, funding and grants, local government news and animal control.
- 5.35 There are currently **77 people** subscribed to the online newsletter. Resident's can sign-up for the email newsletter via WDC's website, or by contacting us.
- 5.36 **WDC Website**
- 5.37 The website is maintained and updated with current information, on a regular basis. Public notices, LGNZ media releases and other important information are uploaded to the news feed.
- 5.38 Analytics for the website
- 5.39 Council accesses information about the website's visitor statistics, reporting and user testing from Google Analytics.
- 5.40 For the period 10 February to 5 June 2015, WDC's website had:
- A total of 6,694 sessions or visits – of which 1,595 accessed the website using a mobile and tablet device and 1,753 returning users.
  - The average time spent on the website was 2 minutes and 14 seconds.
  - On average 3 pages were viewed during each session.
- 5.41 **ALGIM 2015 website audit and survey**
- 5.42 WDC's website was included in ALGIM's annual website audit. This year [www.waitomo.govt.nz](http://www.waitomo.govt.nz) was ranked **53 out of 78** Local government website's. This is a significant **decrease from the 2014 result of 36** (out of 78).
- 5.43 The website rankings and summary audit report are included as **Attachment 1**, to this business paper.
- 5.44 **Media Monitoring**
- 5.45 WDC uses a media monitoring service called Meltwater News. We receive daily morning reports that provide us with an insight and links to online media mentions of Waitomo District Council and associated individuals, towns, businesses, community groups and organisations such Inframax Construction Limited.
- 5.46 Topical news updates are uploaded to the media releases section of the staff intranet and the councillor intranet.
- 5.47 Media coverage rated as negative, does not necessary reflect on the organisation, but can be rated as a result of negative terms or phrases contained in the article.
- 5.48 **Engaging with the community**
- 5.49 Communications initiatives are undertaken in an effort to maintain a good level of engagement with the urban and rural community.
- 5.50 Some of the avenues we utilise to connect with the community include:
- Piopio Birdtalk newsletter
  - Tainui Trading Post newsletter
  - Community Notice boards

- School newsletters

5.51 **Keep Our District Vibrant and Thriving**

5.52 A Communications Plan (CP) was initially developed in 2013 to promote pride in the community environment with a focus on litter control, reducing graffiti/vandalism and reducing fly-tipping.

5.53 This plan requires continual effort to maintain public awareness of the negative impacts of irresponsible behaviour.

5.54 The key messages are;

- The need for people to set a **good example**, as we work towards achieving Councils vision of a vibrant community with thriving business.
  - This message has been incorporated into the logo "*Keep our district vibrant and thriving*" (as shown below) which is used in the adverts to promote instant public recognition.
- The **negative impact** that a littered street/ vandalised public spaces can have on a town's image, tourism and local business.
- Outlining in the regulations provided for under the Litter Act 1979, Local Government Act and Council Bylaws.



5.55 **Projects underway**

5.56 Community engagement and communications for the LTP 2015-2025 has been the main focus this year.

5.57 **Home and Business Internet Survey**

5.58 As part of the investigative work being undertaken to support the development of a RoI for the extension of enhanced UFB and Mobile coverage to our district, WDC developed a public survey.

5.59 The aim was to gauge information about people's internet services at home and / or at their place of business.

5.60 The survey(s) were published in the Waitomo News on Tuesday 19<sup>th</sup> May and remained open until Tuesday 2 June (*an extension to the timeline was made due to a high level of public interest*).

5.61 The survey(s) were replicated online and provided to the public via Survey Monkey.

- 5.62 A webpage was developed and included information about the survey, hyperlinks through to the survey monkey site and a link to the Ministry of Business, Innovation and Employment website (for background information).
- 5.63 To promote the survey, posts were made to Facebook and the website and a media release was published in the Waitomo News on 21 May.
- 5.64 The information was also provided to the Piopio Birdtalk for distribution via their mailing list.
- 5.65 Signs to support public awareness of WDC Bylaws
- 5.66 A series of projects are currently underway to improve the public signs that describe certain activities prohibited (or allowed) under the Animal Control and Public Places Bylaws.
- 5.67 Resident Satisfaction Survey
- 5.68 Residents are invited to have their say on a range of Council services over the period 22<sup>nd</sup> June – 3 July 2015.
- 5.69 The annual survey provides an opportunity for the residents who use Council services, to express their views on the direction in which Council and the district were heading.
- 5.70 A hardcopy survey has been designed and distributed to all letterboxes across the district along with a return freepost envelope.
- 5.71 The survey will be replicated on Survey Monkey and this link will be made available to the public via our website and Facebook page.
- 5.72 To increase resident engagement, an incentive prize was incorporated into the survey and is considered to have been effective method.
- 5.73 One change was made to the questionnaire for 2015. A question was added to section 7: "How satisfied are you that Councillors (Elected Members) are approachable and interact with the community?"
- 5.74 The survey results will be included in the 2014/15 Annual Report as they relate to the Key Performance Indicators.

### **Suggested Resolution**

The business paper Progress Report Communications Strategy Implementation Plan be received.



KELLY MARRIOTT  
**COMMUNICATIONS OFFICER**

8 June 2015

Attachment: 1 ALGIM Web Survey 2015 (366112)

## 2015 ALGIM Council Website Rankings 226

Rank 2015	Rank 2014	Council
1	3	Whakatāne District Council
2	8	Selwyn District Council
3	34	Tauranga City Council
4	4	Whangarei District Council
5	20	Rotorua Lakes Council
6	40	Ashburton District Council
7	6	Gisborne District Council
8	14	Hamilton City Council
9	19	Taupo District Council
10	17	Hutt City Council
11	35	Central Otago District Council
12	49	Queenstown Lakes District Council
13	1	Palmerston North City Council
14	31	Wellington City Council
15 <sup>1</sup>	7	Nelson City Council
16	46	Dunedin City Council
17	29	Auckland Council
18	5	Hurunui District Council
19	10	New Plymouth District Council
20	21	Waipa District Council
21	47	Southland District Council
22	13	Waikato Regional Council
23	38	Horowhenua District Council
24	9	Otago Regional Council
25	24	Waimakariri District Council
26	62	Grey District Council
27	32	Hawke's Bay Regional Council
28	16	Napier City Council
29	26	Marlborough District Council
30	11	Hastings District Council

<sup>1</sup> - did not participate in WCAG 2.0 Web Stds Survey

Rank 2015	Rank 2014	Council
31	2	Timaru District Council
32	51	Hauraki District Council
33	18	Porirua City Council
34	33	Tasman District Council
35	37	Far North District Council
36	56	Upper Hutt City Council
37	55	Gore District Council
38	28	Matamata-Piako District Council
39	54	Northland Regional Council
40	23	Manawatu District Council
41	39	Opotiki District Council
42	41	Greater Wellington Regional Council
43	76	Central Hawke's Bay District Council
44 <sup>1</sup>	75	Horizons Regional Council
45	22	Western Bay of Plenty District Council
46	42	Bay of Plenty Regional Council
47	68	Waikato District Council
48	15	Wairoa District Council
49 <sup>1</sup>	50	South Taranaki District Council
50	43	Masterton District Council
51	44	Environment Southland
52 <sup>1</sup>	71	South Waikato District Council
53	36	Waitomo District Council
54	27	Invercargill City Council
55	66	Taranaki Regional Council
56 <sup>1 2</sup>	30	Kapiti Coast District Council
57	70	Buller District Council
58	53	South Wairarapa District Council
59	48	Westland District Council
60	61	Stratford District Council

<sup>2</sup> - did not participate in Web Functionality / Snapshot Survey

Rank 2015	Rank 2014	Council
61 <sup>1</sup>	67	Wanganui District Council
62 <sup>1 2</sup>	25	Christchurch City Council
63	64	Clutha District Council
64 <sup>1 2</sup>	12	Thames-Coromandel District Council
65	73	Waitaki District Council
66	74	Otorohanga District Council
67 <sup>1</sup>	57	Environment Canterbury
68	60	Waimate District Council
69 <sup>1 2</sup>	77	Kaipara District Council
70 <sup>1 2</sup>	52	Carterton District Council
71	59	Taranua District Council
72 <sup>1 2</sup>	65	Ruapehu District Council
73 <sup>1 2</sup>	63	West Coast Regional Council
74 <sup>1 2</sup>	72	Kaikoura District Council
75 <sup>1 2</sup>	45	Mackenzie District Council
76 <sup>1 2</sup>	58	Chatham Islands Council
77 <sup>1 2</sup>	69	Rangitikei District Council
78 <sup>1 2</sup>	78	Kawerau District Council

### Weightings for Ranking

20%	<b>Functionality Survey</b>
10%	<b>Standards Survey</b>
30%	<b>Accessibility Audit</b>
10%	<b>Enquiry Response Tests</b>
30%	<b>Best Practice Review</b>

# ALGIM

## 2015 ALGIM Local Government Website Survey (Snapshot of Sector)

### **Snapshot survey of New Zealand Local Government:**

Website management, software applications, reporting and analytics, search, user testing, top five tasks, functionality and content, use of social media, open data and mobility and mobile devices.

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## 2015 Local Government Website Survey (Snapshot)

### Abstract

This paper reports on the results of an online survey by councils assessing the management and functionality of their websites.

### Introduction

In February 2015, the Association of Local Government Information Management (ALGIM) conducted its annual survey of council websites throughout New Zealand to assess sites from both a technical and content perspective.

This report presents the results of this sub-survey to get a snapshot of:

- how councils manage their website;
- what software applications they use;
- reporting and search facilities; and
- functionality and online services provided

**This survey was completed by 66 councils (see Appendix 1).** We would like to take this opportunity to thank all of those involved in submitting their responses to enable us to produce this report. Your continued feedback is invaluable.

### Method

The online survey was undertaken during the period of 10/2/2015 to 10/04/2015 using Survey Monkey.

Invitations for councils to participate were sent via direct emails to IT Managers, Web Contacts and previous survey participants.

Please treat the findings as an initial snapshot of where we are today. There are opportunities to improve and expand the survey to include more questions next year.

## 2015 Survey Results

### Website Management

2. Is your website hosted internally or externally?					
Answer Options	2015 Response %	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Internally	28.79%	19	23	24	21
Externally	71.21%	47	51	49	45
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>73</b>	<b>66</b>

3. If external, is it in a shared environment?					
Answer Options	2015 Response %	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes	49.23%	32	29	22	21
No	23.08%	15	19	19	20
N/A	27.69%	18	20	27	12
<b>Total Response</b>		<b>65</b>	<b>68</b>	<b>68</b>	<b>53</b>

4. What is the name of your external hosting provider?					
Answer Options	2015 Response %	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
N/A	30.0%	18	16	16	12
Aotearoa Web Design	0.0%	0			
CWP	1.7%	1			
Datacom	18.3%	11	8	6	-
Digiweb	1.7%	1	1	2	1
Dry Crust	1.7%	1			
Efinity	1.7%	1	1	1	1
Expert	0.0%	0			
Firebrand	0.0%	0	1	-	-
Free Parking	1.7%	1	1	-	-
Guru Digital Media	6.7%	4	3	-	-
Intergen	5.0%	3	9	13	9
Katipo	0.0%	0	1	1	1
Klixo	1.7%	1			
NET24	1.7%	1	1	1	1
Open Host	1.7%	1			
Orcon	3.3%	2	1	2	1
Revera	3.3%	2	2	1	1
Silverstripe	8.3%	5	4	4	3
SouthWeb	0.0%	0	0	-	-
SNAP	1.7%	1	1	1	1
Squiz NZ	3.3%	2	2	2	1
Technology Solutions	1.7%	1	1	-	-
Verb	0.0%	0	1	1	1
Vivid Computers	0.0%	0	1	1	1
Web Drive	1.7%	1	1	2	1
Xplore.net	1.7%	1	2	1	1
Webcentric	0.0%	0	1	-	-
Web Drive	1.7%	1	-	-	-
Other (please specify)	-	5		7	-
<b>Total Response</b>	-	<b>60</b>	<b>55</b>	<b>58</b>	<b>31</b>
<b>Other (please specify)</b>					
Uprise Digital Marketing Solutions					
Inspire					
IT Team					
Timaru District Council					
HD Net					

Hosting Provider	No. of Councils	Councils
N/A	18	Greater Wellington Regional Council, Hawke's Bay Regional Council, Hutt City Council, Manawatu District Council, Matamata-Piako District Council, New Plymouth District Council, Opotiki District Council, Palmerston North City Council, Porirua City Council, Selwyn District Council, Stratford District Council, Stratford District Council, Tararua District Council, Tasman District Council, Tauranga City Council, Timaru District Council, Waikato Regional Council, Waitaki District Council, Wellington City Council, Whangarei District Council
CWP	1	Southland District Council
Datacom	11	Ashburton District Council, Central Otago District Council, Grey District Council, Hamilton City Council, Marlborough District Council, Rotorua Lakes Council, South Waikato District Council, Taupo District Council, Waipa District Council, Wanganui District Council, Western Bay of Plenty District Council
Digiweb	1	Westland District Council
Dry Crust	1	Gore District Council
Efinity	1	South Taranaki District Council
Free Parking	1	South Wairarapa District Council
Guru Digital Media	4	Hauraki District Council, Horowhenua District Council, Northland Regional Council, Otorohanga District Council
Intergen	3	Clutha District Council, Otago Regional Council, Waitomo District Council
Klixo	1	Whakatāne District Council
NET24	1	Environment Southland
Open Host	1	Buller District Council
Orcon	2	Hastings District Council, Waikato District Council
Revera	2	Auckland Council, Environment Canterbury
Silverstripe	5	Central Hawke's Bay District Council, Gisborne District Council, Hurunui District Council, Nelson City Council, Taranaki Regional Council
SNAP	1	Waimakariri District Council
Squiz NZ	2	Dunedin City Council, Far North District Council
Technology Solutions	1	Masterton District Council
Web Drive	1	Napier City Council
Xplore.net	1	Wairoa District Council
Web Drive	1	Invercargill City Council
<b>Other</b>		
Horizons Regional Council		Inspire
Queenstown Lakes District Council		HD Net
Stratford District Council		IT Team
Upper Hutt City Council		Uprise Digital Marketing Solutions
Waimate District Council		Timaru District Council

5. How many people are in your web team?					
Answer Options	2015 Response %	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Less than one (only one part of role or part-time)	34.8%	23	30	31	29
One full-time	27.3%	18	18	18	14
One full time and one part time	7.6%	5	3	4	-
One full time and two part time	3.0%	2	3	-	-
Two full-time	3.0%	2	2	3	3
Two part-time	7.6%	5	4	6	3
Three full-time	3.0%	2	3	2	1
Four full-time	1.5%	1	1	2	1
More than four full-time	1.5%	1	1	3	1
Other (please specify)	10.6%	7	9	4	14
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>73</b>	<b>66</b>
<b>Other (please specify)</b>					
4 people - minor part of 4 peoples role					
Undertaken by Communications Officer and others as required					
2 full-time and 2 part-time					
Responsibility falls across the communication team as a shared portion of the work they do where applicable					
No web team but an online content publisher plus devolved content managers. Our IT Apps team also provides functionality support on a break fix basis.					
Three part time					
One full-time and several other full and part-time staff (web champions) who support maintaining the website.					

6. Is your content editing distributed or centralised?			
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count
Distributed	51.5%	34	31
Centralised	48.5%	32	43
Other (please specify)		5	10
<b>Total Response</b>			<b>66</b>
<b>Other (please specify)</b>			
Currently implementing processes and procedure to allow more distributed content editing.			
Mostly centralised but some content editing is distributed, e.g Public Notices, News, Events, minor updates to Community Wellbeing pages.			
Other than the web team, there's a number of content editors from various department. Most of content management is still done by the web team			
A mix of both			
Not all content editing is distributed only certain pages of the website (e.g., job vacancies, meetings, resource consent hearings)			

7. Do you have a content approval process workflow in place?			
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count
Yes	71.2%	47	50
No	28.8%	19	24
Other (please specify)		3	
<b>Total Response</b>			<b>66</b>
<b>Other (please specify)</b>			
Apply only to selected parts of the website			
Departmental Approval			
Most content comes through the communications team anyway.			

8. How do you manage your website content?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Content management system – third party supplier eg. SharePoint, EpiServer, etc)	48.5%	32	41	42	30
Content management system – open source (eg. Silverstripe, MySource Matrix, DotNetNuke, Joomla, WordPress, etc)	45.5%	30	28	24	23
Web publishing tool (eg. Dreamweaver, etc)	3.0%	2	4	3	3
Custom built system	1.5%	1	1	4	5
Other (please specify)	1.5%	1	0	0	5
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>73</b>	<b>66</b>
<b>Other (please specify)</b>					
Sharepoint, Frontpage					

<b>9. What is the name of your content management system?</b>					
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>	<b>2014 Response Count</b>	<b>2013 Response Count</b>	<b>2012 Response Count</b>
AssetNow	0.0%	0	1	1	1
BOSS	0.0%	0	1	1	1
Custom	0.0%	0	1	1	1
DotNetNuke	0.0%	0	0	1	1
Drupal	6.8%	4	3	4	2
Efinity CMS Pro	1.7%	1	1	1	1
EpiServer	11.9%	7	10	12	12
Interwoven Teamsite	0.0%	0	1	1	1
Joomla	3.4%	2	4	5	4
Kentico	3.4%	2	1	1	0
Microsoft CMS	1.7%	1	3	3	3
Microsoft Front Page	1.7%	1	2	2	2
MySource Matrix	6.8%	4	4	2	3
Open Source	0.0%	0	1	0	0
Prima	0.0%	0	1	1	1
Rex	1.7%	1	1	1	1
Microsoft SharePoint	22.0%	13	7	5	1
SilverStripe	22.0%	13	9	9	10
SiteCore	3.4%	2	3	3	3
Sitefinity	1.7%	1	1	1	1
Umbraco	6.8%	4	4	5	4
Wordpress	5.1%	3	2	-	-
X-site	1.7%	1	2	1	1
<b>Total Response</b>		<b>59</b>	<b>63</b>	<b>73</b>	<b>64</b>
<b>Other (please specify)</b>					
Guru Digital Media CMS					
Squiz Matrix					
Evoq Content					
Seamless					
Seamless					
Datacom Customer Connect					

Content system	No. of Councils	Councils
Drupal	4	Hastings District Council, South Wairarapa District Council Westland District Council, Whakatāne District Council
Efinity CMS Pro	1	South Taranaki District Council
EpiServer	7	Horowhenua District Council, Hutt City Council Northland Regional Council, Otago Regional Council Rotorua Lakes Council, Waikato Regional Council Waitomo District Council
Joomla	2	Matamata-Piako District Council, Stratford District Council
Kentico	2	Taupo District Council, Waikato District Council
Microsoft CMS	1	New Plymouth District Council
Microsoft Front Page	1	Clutha District Council
MySource Matrix	4	Dunedin City Council, Far North District Council Selwyn District Council, Timaru District Council
Rex	1	Porirua City Council
Microsoft SharePoint	13	Ashburton District Council, Auckland Council Central Otago District Council, Environment Canterbury Grey District Council, Hawke's Bay Regional Council South Waikato District Council, Taupo District Council Waipa District Council, Waitaki District Council, Wanganui District Council, Western Bay of Plenty District Council, Whangarei District Council
SilverStripe	13	Central Hawke's Bay District Council, Gisborne District Council Gore District Council, Greater Wellington Regional Council Horizons Regional Council, Hurunui District Council Napier City Council, Nelson City Council Otorohanga District Council, Queenstown Lakes District Council Southland District Council, Taranaki Regional Council Tasman District Council
SiteCore	2	Marlborough District Council, Wellington City Council
Sitefinity	1	Waimakariri District Council
Umbraco	4	Bay of Plenty Regional Council, Environment Southland Opotiki District Council, Palmerston North City Council
Wordpress	3	Buller District Council, Invercargill City Council Upper Hutt City Council
X-site	1	Wairoa District Council
<b>Other (please specify)</b>		
Datacom Customer Connect		Hamilton City Council
Guru Digital Media CMS		Hauraki District Council
Seamless		Manawatu District Council, Tararua District Council
Evoq Content		Tauranga City Council
Squiz Matrix		Waimate District Council

10. Do you have a website / digital / online strategy?					
Answer Options	2015 Response Percentage	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes	50.0%	33	33	29	25
No	15.2%	10	18	18	20
Planning to in next year - reviewing current one	15.2%	10	14	13	6
Planning to in next year - don't have one	22.7%	15	12	15	16
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>75</b>	<b>67</b>

## Visitor Statistics, Reporting and User Testing

11. What reporting package do you use (if any)?					
Answer Options	2015 Response Percentage	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
AW Stats	4.5%	3	3	4	1
Crazy Egg	4.5%	3	4	4	4
Google Analytics	95.5%	63	68	60	51
Inbuilt Sharepoint	7.6%	5	4	4	1
Joomla	0.0%	0	1	1	2
SmarterStats	1.5%	1	2	5	7
Web Log Expert	1.5%	1	1	1	1
Woopra	1.5%	1	1	1	1
None	0.0%	0	1	3	2
Other	0	0	1	0	1
<b>Total Response</b>		<b>66</b>	<b>73</b>	<b>85</b>	<b>77</b>

Reporting package	No. of Councils	Councils
AW Stats	3	Dunedin City Council, Gisborne District Council, South Wairarapa District Council
Crazy Egg	3	Environment Canterbury, Palmerston North City Council, Whangarei District Council
Google Analytics	63	Ashburton District Council, Auckland Council Bay of Plenty Regional Council, Buller District Council Central Hawke's Bay District Council, Central Otago District Council Dunedin City Council, Environment Canterbury Environment Southland, Far North District Council Gisborne District Council, Gore District Council Greater Wellington Regional Council, Grey District Council Hamilton City Council, Hastings District Council Hauraki District Council, Hawke's Bay Regional Council Horizons Regional Council, Horowhenua District Council Hurunui District Council, Hutt City Council Invercargill City Council, Manawatu District Council Marlborough District Council, Masterton District Council Matamata-Piako District Council, Napier City Council Nelson City Council, New Plymouth District Council Northland Regional Council, Opotiki District Council Otago Regional Council, Otorohanga District Council Palmerston North City Council, Porirua City Council Queenstown Lakes District Council, Rotorua Lakes Council Selwyn District Council, South Taranaki District Council South Waikato District Council, Southland District Council Stratford District Council, Stratford District Council Taranaki Regional Council, Tararua District Council Tasman District Council, Taupo District Council, Tauranga City Council Timaru District Council, Upper Hutt City Council Waikato District Council, Waikato Regional Council Waimakariri District Council, Waimate District Council Waipa District Council, Wairoa District Council Waitaki District Council, Waitomo District Council Wellington City Council, Western Bay of Plenty District Council Westland District Council, Whakatāne District Council Whangarei District Council
Inbuilt Sharepoint	5	Auckland Council, Environment Canterbury Grey District Council, Hawke's Bay Regional Council Wanganui District Council
Joomla	1	Stratford District Council
SmarterStats	1	Clutha District Council
Web Log Expert	1	Napier City Council
Woopra	1	Napier City Council

**12. How often do you use your metrics/reporting package?**

Answer Options	2015 Response Percentage	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Daily	3.0%	2	3	2	2
A few times a week	13.6%	9	15	9	10
Less than once a week	7.6%	5	5	10	5
Monthly	39.4%	26	25	28	23
As required	31.8%	21	19	17	13
Never	0.0%	0	1	1	0
N/A	0.0%	0	1	-	-
Other (please specify)	4.5%	3	5	2	5
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>69</b>	<b>62</b>
<b>Other (please specify)</b>					
Quarterly or as required					
Monthly and as required according to current campaigns/latest news/hot topics					
Monthly for reporting and daily for analysis					

**13. What metrics to you use to measure performance of your website (e.g. engagement, satisfaction, IA, usability etc)?**

Answer Options	2015 Response Percent	2015 Response Count
Accessibility of content / findability	36.9%	24
Audience overview	43.1%	28
Bounce rate / exit rate	49.2%	32
Customer satisfaction survey / customer consultation / customer feedback (internal & external)	38.5%	25
Customer complaints	40.0%	26
Device used (e.g. mobile)	60.0%	39
Duration / time spent on page	44.6%	29
Downloads	24.6%	16
Errors on page	13.8%	9
Feedback form	32.3%	21
Landing page / exit page	38.5%	25
Number of Online Submissions	33.8%	22
Page views / visits / hits	87.7%	57
Search terms / phrases	47.7%	31
Top content	60.0%	39
Traffic sources	40.0%	26
User testing	13.8%	9
Visitors = New	49.2%	32
Visitors = Returning	44.6%	29
Volume per month	47.7%	31
Nil	1.5%	1
Other (please specify)		4
<b>Total Response</b>		<b>65</b>
<b>Other (please specify)</b>		
Browser type		
Number of online payment transactions		
Goal conversion rates and funnels on specific tasks on our website.		
Trends over time are a more useful indicator than snapshots		

14. List the KPI's for your website:	
Response	Council
Site availability 99%	Ashburton District Council
Residents Opinion Survey - satisfied with the website: >65% Response time for customer enquiries coming in via webmaster@dcc.govt.nz: within 24 hours	Dunedin City Council
Whilst we use analytics we currently have no formalized kpis in place. We are in redesign process and KPI's will come out of that as a result.	Environment Canterbury
Annual Report targets	Gisborne District Council
Delivers current and relevant content in a user friendly manner. All relevant information is published and all non-current information is removed from view. Feedback is evaluated and implemented where required.	Hauraki District Council
An increase in 10,000 visitors per year	Horizons Regional Council
Services § Number of services offered online and usage of these services § Number of subscribers to services Information § Site traffic (e.g. unique visits to the site) § Search terms § User surveys § Feedback – comments, complaints and compliments § Online information requests § Publication and report requests § Number of documents downloaded § Responses to targeted communication campaigns for specific services / information § Compliance with NZ Government Web Guidelines § Ranking in the annual ALGIM Local Government Website Survey	Hurunui District Council
Apart from striving for accuracy, timeliness and prompt response to queries we have no measurable KPIs	Invercargill City Council
Success evaluation of online services	Marlborough District Council
The number of transactions/services that can be completed electronically will increase each year. Percentage of residents who are satisfied with ease of access to Council information	Matamata-Piako District Council
Cemetery system must be available 80% of the time	Napier City Council
Visits, PDF downloads, \$ Print value of downloads	Northland Regional Council
Content reflects current policies and documents in use. Customers and staff are able to retrieve the information they require. The site is easy to navigate and attractive. Messages are responded to promptly and accurately.	Opotiki District Council
New and returning visitor numbers (site traffic) Time on site Social media followers Number of downloads for certain documents Page views Accessibility/Findability Monthly media report to exec team Six weekly report to Council Web stats distributed to staff projects and programme managers Public awareness surveys	Otago Regional Council
Number of visitors Complaints (feedback)	Otorohanga District Council
Positive User Experience Users completing tasks online & returning Users finding required information in minimal amount of time. Increase in online submissions Increase in online engagement via all digital channels.	Palmerston North City Council
500,000 page hits per annum	Southland District Council
Website uptime	Tauranga City Council
MAIN WEBSITE & MICROSITES Visits (monthly) - unique visits - average time per visit - pages per visit Bounce Rate Top Pages (top 10 mthly) Search (monthly) - time on site following search - top 10 searches Acquisition (monthly) - organic - direct - referral - social User Demographics (monthly) - location by city - location by country Forms Submitted (monthly) Devices Used to Access Site (monthly) Feedback Collected - response time ANNUAL KPIs - Accuracy - Relevancy - Ease of use - Continuous improvement - SEO - Development & training	Upper Hutt City Council
Annual update of static pages on the Waikato Regional Council's website. (Dynamic pages are updated as required.)	Waikato Regional Council
Currently: number of unique sessions per month however this is being reviewed.	Waipa District Council
Number of visits Pageviews Absolute Unique Visitors Bounce rate Time on site Conversion rate Traffic sources Page: Type – Dimension Universe – Aggregate, Segmented, Individual A page is an analyst definable unit of content. Page Views Type – Count Universe – Aggregate, Segmented The number of times a page was viewed. Visits (Sessions) Type – Count Universe: Aggregate, Segmented A visit is an interaction, by an individual, with a website consisting of one or more requests for an analyst-definable unit of content. If an individual has not taken another action on the site within a specified time period (typically, 25 to 30 min), the visit session will terminate. Unique Visitors (New Visitor, Repeat Visitor, Return Visitor) Type – Count Universe – Aggregate, Segmented The number of inferred individual people, within a designated reporting timeframe, with activity consisting of one or more visits to a site. Each individual is counted only once in the unique visitor	Wairoa District Council

measure for the reporting period. Visit Characterization Entry Page: Type – Dimension Landing Page: Type – Dimension Exit Page: Type – Dimension Visit Duration: Type – Count Referrer (Internal, External, Search, Visit, Original): Type – Dimension Click-through: Type – Count Click-through Rate: Type – Ratio Page Views per Visit: Type – Ratio Content Characterization Page Exit Ratio: Type – Ratio Single Page Visits: Type – Count Single Page View Visits (Bounces): Type – Count Bounce Rate: Type – Ratio Conversion Metrics Event: Type – Dimension Conversion: Type – Dimension	
High engagement on consultations Positive responses from residents monitoring surveys Positive feedback	Wellington City Council
Number of transactions /services that can be conducted. Information downloaded by public. Number of requests received.	Western Bay of Plenty District Council
All plans and policies are available on the Council Website, and are current and up to date. All information is available on the Council Website and are reviewed as required to ensure they are up to date.	Westland District Council
Website is fully responsive and has 100 percent usability on mobile devices (includes all Online Services) Website meets or exceeds WCAG AA guidelines Website content is 100 percent factually and grammatically accurate Website has zero "broken" hyperlinks Overall website bounce rate less than 25%	Whakatāne District Council
Increase in website usage. Number of visitor sessions. Site uptime is 95% or over (site is available 95% or more, per month).	Whangarei District Council

Response	Council
Nil / None	Auckland Council, Bay of Plenty Regional Council, Buller District Council, Central Hawke's Bay District Council, Central Otago District Council, Clutha District Council, Environment Southland, Far North District Council, Gore District Council, Greater Wellington Regional Council, Grey District Council, Hamilton City Council, Hastings District Council, Hawke's Bay Regional Council, Horowhenua District Council, Hutt City Council, Manawatu District Council, Masterton District Council, Nelson City Council, New Plymouth District Council, Porirua City Council, Queenstown Lakes District Council, Rotorua Lakes Council, Selwyn District Council, South Taranaki District Council, South Waikato District Council, South Wairarapa District Council, Stratford District Council, Stratford District Council, Taranaki Regional Council, Tararua District Council, Tasman District Council, Taupo District Council, Timaru District Council, Waikato District Council, Waimakariri District Council, Waimate District Council, Waitaki District Council, Waitomo District Council, Wanganui District Council

15. What Online Engagement Tools do you use?		
Answer Options	Response Percent	Response Count
N/A	32.3%	21
Website's own toolset	40.0%	26
Uengage (Objective)	9.2%	6
Have Your Say (Bang the Table)	6.2%	4
Town Hall	3.1%	2
Other (please specify)	35.4%	23
<b>Total Response</b>		<b>65</b>
<b>Other (please specify)</b>		
Online Feedback/Consultation Forms for variety of consultations		
Disqus/Consult24, Social Media, Survey Monkey, Feedback forms		
Our10yearplan.co.nz - transparent engagement on our long-term plan		
Citizen Panel (Horizon Research)		
Currently reviewing options		
Polls, Survey Monkey		
NCS online services, Guru's engagement tools		
Squiz Consult		
Consult24		
10 Year Plan used a custom website (futurewaipa.co.nz), also engage heavily through Facebook.		
Submission forms developed with CloudGuru365		
Jotforms for submissions general engagement. Also a custom made microsite for our LTP engagement		
ChinWag - GDC digital newsletter		

People's Panel, Online chat (for major consultations)
Water matters, rates calculator and regular surveys and online submission forms
Survey Monkey
Survey Monkey
Facebook, Survey Monkey, YouTube
FluidSurveys
Scheduled to trial 3rd party offering in next 6 months
Citizen Space (Public Voice), Survey Monkey, Typeform
Online Forms

<b>16. What are the top five tasks or most visited pages of your website over the last six months (excluding your homepage?)</b>		
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>
Agenda & Minutes	9.1%	6
Buses & Transport	9.1%	6
Building & Consents	19.7%	13
<b>Cemeteries</b>	<b>53.0%</b>	<b>35</b>
Consultation	7.6%	5
<b>Contact Us</b>	<b>36.4%</b>	<b>24</b>
Council & Councillors	9.1%	6
Elections	1.5%	1
Environmental Data	7.6%	5
Events	10.6%	7
Fix It / Service Request/ Contact Us	4.5%	3
<b>Info Property &amp; Rates</b>	<b>71.2%</b>	<b>47</b>
Info Search	6.1%	4
<b>Job Vacancies</b>	<b>43.9%</b>	<b>29</b>
Libraries	16.7%	11
<b>Maps / GIS</b>	<b>36.4%</b>	<b>24</b>
News	10.6%	7
Parking	3.0%	2
Payment, Fees & Charges	7.6%	5
Plans (district, annual, regional, LTP)	27.3%	18
Projects (specific to your Council)	3.0%	2
Publications	1.5%	1
Public Notices	0.0%	0
Refuse & Recycling	25.8%	17
Rivers and Rainfall	7.6%	5
Services (A-Z)	19.7%	13
Sports, Parks & Leisure	4.5%	3
Swimming Pools / Aquatic Centres	9.1%	6
Walkways / Cycleways	0.0%	0
Webcam	13.6%	9
Other (please specify)		17
<b>Total Response</b>		<b>66</b>

<b>Other (please specify)</b>			
General Information about 'Our District' including attractions and 'Things to See and Do'			
Search			
Camping			
District Plan			
Rivers & Rainfall, Council			
Community Boards			
Council Meetings Calendar			
Self-service online property and resource consent files			
All top 5 are rainfall riverflow and consent related.			
Water Restrictions			
Summer Camping			
Property, Rates			
Rates Calculator			
Information and Services			
Central Hawke's Bay Beaches			
Freedom camping			
Harbour Project			
<b>2015 Top Tasks</b>	<b>2014 Top Tasks</b>	<b>2013 Top Tasks</b>	<b>2012 Top Tasks</b>
Property & Rates	Property & Rates	Cemeteries	Property & Rates
Cemeteries	Cemeteries	Property & Rates	Cemeteries
Job Vacancies	Contact Us	Plans, Publications &	Job Vacancies
Contact Us	Job Vacancies	Contact Us	Contact Us
Maps / GIS	Plans, Publications &	Job Vacancies	Plans, Publications & Reports

## Search

17. Do you use your own built-in search facility or use third party software?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Built-in search	77.3%	51	56	50	48
Drupal	1.5%	1	1	-	-
Google	18.2%	12	15	-	-
Squiz Funnelback	3.0%	2	1	-	-
X-Site	0.0%	0	1	-	-
Zoom	1.5%	1	1	-	-
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>64</b>

## E-Commerce and Payments

18. Do you process payments in real-time with credit cards?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes	68.2%	45	46	34	30
No	31.8%	21	16	24	27
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>74</b>	<b>65</b>

19. If you do, what payment system do you use?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
BNZ Buyline Plus	28.9%	13	15	12	13
Datacom	11.1%	5	3	1	-
Epayments	8.9%	4	5	2	1
Pathway	2.2%	1	1	0	2
Pay Station	4.4%	2	1	-	-
POLI	11.1%	5	6	1	-
Secure Pay	2.2%	1	1	1	1
uTransact / DPS	33.3%	15	12	9	6
Westpac	13.3%	6	8	10	8
Other (please specify)	4.4%	2	1	1	0
<b>Total Response</b>		<b>45</b>	<b>46</b>	<b>37</b>	<b>32</b>
<b>Other (please specify)</b>					
Flo2Cash					
We are about to go live with online payments using Payment Express in the next few weeks					

Payment software	No. of Councils	Councils
BNZ Buyline Plus	13	Central Hawke's Bay District Council, Central Otago District Council Hamilton City Council, Hawke's Bay Regional Council Horizons Regional Council, Manawatu District Council Matamata-Piako District Council, Northland Regional Council Otago Regional Council, Rotorua Lakes Council Tararua District Council, Timaru District Council Western Bay of Plenty District Council
Datacom	5	Marlborough District Council, Palmerston North City Council, South Waikato District Council, Taupo District Council, Wanganui District Council
Epayers	4	Far North District Council, Hutt City Council, Waikato Regional Council, Waimakariri District Council
Pathway	1	Dunedin Council
Pay Station	2	Gisborne District Council, Queenstown Lakes District Council
POLI	5	Hamilton City Council, Hastings District Council, Hutt City Council, Selwyn District Council, Taupo District Council
Secure Pay	1	Porirua City Council
uTransact / DPS	15	Ashburton District Council, Auckland Council, Dunedin City Council Nelson City Council, Selwyn District Council, Southland District Council Tasman District Council, Tauranga City Council, Timaru District Council Upper Hutt City Council, Waipa District Council, Wairoa District Council Wellington City Council, Whakatāne District Council, Whangarei District Council
Westpac	6	Hurunui District Council, Napier City Council, New Plymouth District Council, Palmerston North City Council, Porirua City Council, Selwyn District Council
Other	2	
Gore District Council	Flo2Cash	
Opotiki District Council	We are about to go live with online payments using Payment Express in the next few weeks	

20. Apart from credit cards, what other online payment methods are available (if any)?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Debit cards	22.7%	15	11	9	2
Direct Debits	47.0%	31	-	-	-
Internet banking	75.8%	50	46	18	22
POLI *	9.1%	6	6	-	-
None	22.7%	15	21	42	38
Other (please specify)	22.7%	2	7	4	4
<b>Total Response</b>		<b>66</b>	<b>70</b>	<b>73</b>	<b>66</b>

Payment types	No. of Councils	Councils
Debit cards	15	Ashburton District Council, Central Otago District Council, Gisborne District Council, Hamilton City Council, Hurunui District Council, Nelson City Council, Porirua City Council, Queenstown Lakes District Council, Taupo District Council, Tauranga City Council, Upper Hutt City Council, Wairoa District Council, Western Bay of Plenty District Council, Westland District Council, Whangarei District Council
Direct Debits	31	Ashburton District Council, Auckland Council, Central Otago District Council, Dunedin City Council, Far North District Council, Gisborne District Council, Gore District Council, Hamilton City Council, Hastings District Council, Hauraki District Council, Horowhenua District Council, Hurunui District Council, Nelson City Council, Opotiki District Council, Otago Regional Council, Palmerston North City, Council, Porirua City Council, Queenstown Lakes District Council, Rotorua Lakes Council, South Taranaki District Council, Southland District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato Regional Council, Western Bay of Plenty District Council, Westland District Council, Whakatāne District Council, Whangarei District Council

Internet banking	50	Ashburton District Council, Auckland Council, Central Hawke's Bay District Council, Central Otago District Council, Clutha District Council, Dunedin City Council, Far North District Council, Gisborne District Council, Gore District Council, Grey District Council, Hamilton City Council, Hastings District Council, Hauraki District Council, Hawke's Bay Regional Council, Horizons Regional Council, Horowhenua District Council, Hurunui District Council, Hutt City Council, Invercargill City Council, Marlborough District Council, Matamata-Piako District Council, Napier City Council, Nelson City Council, New Plymouth District Council, Northland Regional Council, Otago Regional Council, Palmerston North City Council, Porirua City Council, Queenstown Lakes District Council, Selwyn District Council, South Taranaki District Council, South Waikato District Council, Southland District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Waikato Regional Council, Waimakariri District Council, Waipa District Council, Wairoa District Council, Waitaki District Council, Wanganui District Council, Western Bay of Plenty District Council, Westland District Council, Whakatāne District Council, Whangarei District Council
POLI *	6	Hamilton City Council, Hastings District Council, Hutt City Council, Rotorua Lakes Council, Taupo District Council, Waikato District Council
None	15	Bay of Plenty Regional Council, Buller District Council, Environment Canterbury, Environment Southland, Greater Wellington Regional Council, Manawatu District Council, Masterton District Council, Otorohanga District Council, South Wairarapa District Council, Stratford District Council, Stratford District Council, Taranaki Regional Council, Tararua District Council, Tasman District Council, Waimate District Council, Waitomo District Council, Wellington City Council
<b>Other (as per below)</b>	2	Hamilton City Council, South Taranaki District Council
Automatic payments etc		
We will also be bringing in payments in real-time with Credit Cards from 1 June this year. Will be using Westpac for this.		

21. Please indicate what can be paid online.					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Applications (LIMs, liquor licence, building or resource consent, etc)	47.0%	31	20	15	12
Dog registrations	53.0%	35	23	18	13
Fines (environmental, bus lane, dog offences, litter, parking, etc)	48.5%	32	20	17	16
Invoices	43.9%	29	20	12	14
Rates	77.3%	51	47	40	41
Request for a property file	22.7%	15	10	8	3
Sundry debtors invoice	30.3%	20	-	-	-
Water rates	33.3%	22	-	-	-
Other	27.3%	18			
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>64</b>
<b>Other (Please specify)</b>					
Library fees					
Events					
Internet banking can be anything, about to do CC payments for all					
We do not charge for property files					
Facility Bookings					
Online payments will be available in rates, water, dogs and licensing within 3 months					
Going live in next 2 weeks					

Payment online:	No. of Councils	Councils
Applications (LIMs, liquor licence, building or resource consent, etc)	31	Ashburton District Council, Auckland Council, Central Hawke's Bay District Council, Central Otago District Council, Dunedin City Council, Far North District Council, Grey District Council, Hamilton City Council, Hawke's Bay Regional Council, Horizons Regional Council, Horowhenua District Council, Hurunui District Council, Hutt City Council, Marlborough District Council, Nelson City Council, Palmerston North City Council, Queenstown Lakes District Council, Rotorua Lakes Council, Selwyn District Council, South Taranaki District Council, South Waikato District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Wairoa District Council, Wellington City Council, Whakatāne District Council, Whangarei District Council
Dog registrations	35	Ashburton District Council, Auckland Council, Central Otago District Council, Clutha District Council, Dunedin City Council, Far North District Council, Gisborne District Council, Grey District Council, Hamilton City Council, Hastings District Council, Hutt City Council, Marlborough District Council, Nelson City Council, New Plymouth District Council, Opotiki District Council, Palmerston North City Council, Porirua City Council, Queenstown Lakes District Council, Rotorua Lakes Council, Selwyn District Council, South Taranaki District Council, Southland District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Waimakariri District Council, Waipa District Council, Wairoa District Council, Wanganui District Council, Western Bay of Plenty District Council, Whakatāne District Council, Whangarei District Council
Fines (environmental, bus lane, dog offences, litter, parking, etc)	32	Ashburton District Council, Auckland Council, Dunedin City Council, Far North District Council, Gore District Council, Grey District Council, Hamilton City Council, Hastings District Council, Horizons Regional Council, Horowhenua District Council, Hutt City Council, Marlborough District Council, Nelson City Council, New Plymouth District Council, Palmerston North City Council, Queenstown Lakes District Council, Rotorua Lakes Council, South Taranaki District Council, South Waikato District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Waimakariri District Council, Wairoa District Council, Waitaki District Council, Wanganui District Council, Wellington City Council, Whakatāne District Council, Whangarei District Council
Invoices	29	Ashburton District Council, Central Otago District Council, Far North District Council, Gore District Council, Grey District Council, Hauraki District Council, Horizons Regional Council, Invercargill City Council, Marlborough District Council, Matamata-Piako District Council, Nelson City Council, New Plymouth District Council, Northland Regional Council, Opotiki District Council, Otago Regional Council, Palmerston North City Council, Rotorua Lakes Council, South Taranaki District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Upper Hutt City Council, Waikato District Council, Waimakariri District Council, Waipa District Council, Wairoa District Council, Wellington City Council, Whakatāne District Council, Whangarei District Council
Rates	51	Ashburton District Council, Auckland Council, Central Hawke's Bay District Council, Central Otago District Council, Clutha District Council, Far North District Council, Gisborne District Council, Gore District Council, Grey District Council, Hamilton City Council, Hastings District Council, Hauraki District Council, Hawke's Bay Regional Council, Horizons Regional Council, Horowhenua District Council, Hurunui District Council, Hutt City Council, Invercargill City Council, Manawatu District Council, Matamata-Piako District Council, Napier City Council, Nelson City Council, New Plymouth District Council, Opotiki District Council, Otago Regional Council, Palmerston North City Council, Porirua City Council, Queenstown Lakes District Council, Rotorua Lakes Council, Selwyn District Council, South Taranaki District Council, South Waikato District Council, Southland District Council, Stratford District Council, Tararua District Council, Tasman District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Waikato Regional Council, Waimakariri District Council, Waipa District Council, Wairoa District Council, Waitaki District Council, Wellington City Council, Western Bay of Plenty District Council, Westland District Council, Whakatāne District Council, Whangarei District Council
Request for a property file	15	Auckland Council, Dunedin City Council, Far North District Council, Hutt City Council, Invercargill City Council, Nelson City Council, Otago Regional Council, Rotorua Lakes Council, South Taranaki District Council, Taupo District Council, Tauranga City Council, Upper Hutt City Council, Wairoa District Council, Wellington City Council, Western Bay of Plenty District Council, Whangarei District Council
Sundry debtors invoice	20	Ashburton District Council, Central Hawke's Bay District Council, Far North District Council, Grey District Council, Hauraki District Council, Horowhenua District Council, Marlborough District Council, Nelson City Council, Opotiki District Council, Palmerston North City Council, South Taranaki District Council, South Waikato District Council, Stratford District Council, Tauranga City Council, Upper Hutt City Council, Waimakariri District Council, Wairoa District Council, Wellington City Council, Whakatāne District Council

		Council, Whangarei District Council
Water rates	22	Ashburton District Council, Central Hawke's Bay District Council, Far North District Council, Grey District Council, Hauraki District Council, Horizons Regional Council, Horowhenua District Council, Matamata-Piako District Council, Nelson City Council, Opotiki District Council, Rotorua Lakes Council, Selwyn District Council, South Taranaki District Council, Stratford District Council, Tasman District Council, Tauranga City Council, Upper Hutt City Council, Waikato District Council, Waipa District Council, Western Bay of Plenty District Council, Whakatāne District Council, Whangarei District Council

<b>22. If you selected 'Applications' for the previous question, please specify which applications can be applied for and/or paid online.</b>			
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>	<b>2014 Response Count</b>
Consents - Building	45.5%	15	13
Consents - Resource	48.5%	16	14
Dog Registrations	78.8%	26	16
Events and Venue Bookings	33.3%	11	6
Pool Bookings / Swimming Lessons	18.2%	6	5
Licensing (Heath & Liquor)	33.3%	11	7
LIMS	66.7%	22	17
Parking Fines	66.7%	22	15
Other		10	
<b>Total Response</b>		<b>33</b>	<b>26</b>

<b>Applications Online:</b>	<b>No. of Councils</b>	<b>Councils</b>
Consents - Building	15	Ashburton District Council, Auckland Council, Central Otago District Council, Dunedin City Council, Far North District Council, Hurunui District Council, Nelson City Council, Selwyn District Council, South Taranaki District Council, Stratford District Council, Taupo District Council, Upper Hutt City Council, Wairoa District Council, Wellington City Council, Whangarei District Council
Consents - Resource	16	Auckland Council, Central Otago District Council, Far North District Council, Hawke's Bay Regional Council, Horizons Regional Council, Horowhenua District Council, Hurunui District Council, Nelson City Council, Selwyn District Council, South Taranaki District Council, Stratford District Council, Taupo District Council, Upper Hutt City Council, Wairoa District Council, Wellington City Council, Whangarei District Council
Dog Registrations	26	Ashburton District Council, Auckland Council, Central Otago District Council, Dunedin City Council, Far North District Council, Hamilton City Council, Hurunui District Council, Hutt City Council, Marlborough District Council, Nelson City Council, Opatiki District Council, Palmerston North City Council, Queenstown Lakes District Council, Rotorua Lakes Council, Selwyn District Council, South Taranaki District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Wairoa District Council, Western Bay of Plenty District Council, Whakatāne District Council, Whangarei District Council
Events and Venue Bookings	11	Far North District Council, Hamilton City Council, Nelson City Council, South Taranaki District Council, South Waikato District Council, Stratford District Council, Upper Hutt City Council, Waikato District Council, Wellington City Council, Whakatāne District Council, Whangarei District Council
Pool Bookings / Swimming Lessons	6	Far North District Council, Nelson City Council, South Taranaki District Council, Upper Hutt City Council, Wellington City Council, Whakatāne District Council
Licensing (Heath & Liquor)	11	Auckland Council, Far North District Council, Horowhenua District Council, Hurunui District Council, Hutt City Council, Nelson City Council, South Taranaki District Council, Stratford District Council, Upper Hutt City Council, Wairoa District Council, Whangarei District Council
LIMS	22	Auckland Council, Central Hawke's Bay District Council, Central Otago District Council, Dunedin City Council, Far North District Council, Grey District Council, Hamilton City Council, Horowhenua District Council, Hurunui District Council, Nelson City Council, Rotorua Lakes Council, South Taranaki District Council, South Waikato District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Wairoa District Council, Wellington City Council, Whakatāne District Council, Whangarei District Council
Parking Fines	22	Ashburton District Council, Dunedin City Council, Far North District Council, Hamilton City Council, Horowhenua District Council, Marlborough District Council, Nelson City Council, Palmerston North City Council, Queenstown Lakes District Council, Rotorua Lakes Council, South Taranaki District Council, South Waikato District Council, Stratford District Council, Taupo District Council, Tauranga City Council, Timaru District Council, Upper Hutt City Council, Waikato District Council, Wairoa District Council, Wellington City Council, Whakatāne District Council, Whangarei District Council
<b>Other:</b>		
LIM and building consent back end reconciliation in test – Marlborough District Council		
Code of Compliance, Skip Bin Permits, Shipping Container Permits – Wellington City Council		
Anything to do with council except library payments – Whangarei District Council		

## Functionality and Content

23. Does your website have the following information or functionality:					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
A to Z list of services	84.8%	56	63	59	51
Agendas and minutes	98.5%	65	73	71	64
Archived video footage of council meetings	13.6%	9	6	-	-
Blog(s)	10.6%	7	8	8	8
Councillors Portal	24.2%	16	14	11	-
E-newsletters	50.0%	33	29	29	28
Events calendar	75.8%	50	53	52	49
Interactive/integrated map tools (e.g GIS, GoogleMaps/Earth, etc)	87.9%	58	61	58	45
Live web stream of council meetings and / or committee	7.6%	5	4	-	-
Maori language translated pages	6.1%	4	4	3	3
Other language translated pages	6.1%	4	3	3	3
Online access to EDRMS (e.g property files and public documents)	22.7%	15	16	11	-
Online application forms to email	77.3%	51	59	43	56
Online application forms to backend databases (via web services)	63.6%	42	41	16	20
Live online chat (in call centre / customer service)	7.6%	5	4	4	4
e-petitions	3.0%	2	2	2	-
Mobile responsive design	54.5%	36			
Online citizen panel	6.1%	4	4	7	2
Online community directory	27.3%	18	16	17	27
Online consultation (e.g discussion forums - not formal submission process)	25.8%	17	13	17	8
Customer feedback / Online engagement (e.g forms, polls and surveys)	84.8%	56	58	50	-
Online submissions	87.9%	58	59	51	46
Online transactional services (e.g applications, dog registrations, changes of address etc).	56.1%	37	40	25	-
Podcasts (audio)	9.1%	6	7	8	8
Personalised login service (e.g i-Govt, ratepayers to access their own personal data)	12.1%	8	7	4	3
Public Notices	86.4%	57	60	61	-
RSS feeds	51.5%	34	34	32	32
Screen reading tool (eg. BrowseAloud)	12.1%	8	10	4	4
Simple URLs	72.7%	48	48	41	42
Site map	89.4%	59	64	68	57
Transport Planner	4.5%	3			
Website subscription service	18.2%	12	11	12	8
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>64</b>

<b>24. If you selected "online forms to backend databases via web services", please specify forms / databases.</b>			
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>	<b>2014 Response Count</b>
Application status search (building consent, resource consent etc).	18.2%	8	
Building Consents	27.3%	12	
Cemeteries Search	54.5%	24	27
Consents (water, etc)	11.4%	5	
Contesting Parking Fines	11.4%	5	4
Direct debit form	9.1%	4	
Dog Registration	43.2%	19	14
e-text database	11.4%	5	
Employment Application Form	36.4%	16	16
Environmental Data	6.8%	3	5
Food grading search	6.8%	3	
Library Catalogue	50.0%	22	21
LIMS	22.7%	10	10
Property File Request	18.2%	8	8
Property Search	68.2%	30	32
Rates Email Invoice Opt-In	18.2%	8	9
Request for Service / Service Requests / Contact Us	47.7%	21	36
Resource Consents	15.9%	7	
Rubbish & recycling collection day	13.6%	6	
Submissions	61.4%	27	20
Web Map Service	36.4%	16	14
Other (please specify)		6	11
<b>Total Response</b>			<b>44</b>
<b>Other (please specify)</b>			
Clubs and Organisations Directory			
Arrange building inspections			
Archives Search			
ePlan, Smart Maps			
N/A			
N/A			

<b>25. If you selected 'Online Transactional Services' please specify services e.g (applications, property file request, change of address, dog registrations etc)</b>			
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>	<b>2014 Response Count</b>
Building Consents / applications	28.6%	12	13
Cemetery Search	54.8%	23	
Change of Address	40.5%	17	17
Contact Us Forms	81.0%	34	32
District Plan Updates	11.9%	5	3
Dog Registrations / Renewals	61.9%	26	16
Education Requests	4.8%	2	2
Facility / Recreation / Venue Bookings	23.8%	10	12
Fines / Infringement Payments	47.6%	20	16
Fix It Service	50.0%	21	23
Job Vacancies sign up	40.5%	17	16
Library	45.2%	19	
LIMS	45.2%	19	15
Premises	9.5%	4	
Property Information / Requests	52.4%	22	22
Rates	64.3%	27	26
Resource Consents	23.8%	10	
Other (please specify)			7
<b>Total Response</b>		<b>42</b>	<b>43</b>
<b>Other (please specify)</b>			
Library requests - separate website - ilibrary.co.nz			
Library requests are via wcl.govt.nz rather than wellington.govt.nz			
Water readings for resource consent holders			
Within 3 months			
N/A			
Publication request			
Rates, Property Info, Dog Rego going live in next 2 weeks			

<b>26. How do you publish large documents on your website? (select all boxes relevant to you)</b>					
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>	<b>2014 Response Count</b>	<b>2013 Response Count</b>	<b>2012 Response Count</b>
PDF	100.0%	66	73	72	63
HTML	21.2%	14	17	21	14
XML	1.5%	1	2	2	0
eBooks	10.6%	7	5	4	3
What tool do you use to publish? (please specify)		13	-	-	-
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>63</b>
<b>Tools used to publish:</b>					
Flipbooks, and ePlan (online RMA plans)					
GBooks (by Guru Digital media)					
Squiz Matrix					
Episerver, Objective and Adobe indesign,					
Issuu.com for eBooks, Acrobat for PDF					
Author It					
Adobe Acrobat, Adobe InDesign, SharePoint					
Adobe Pro					
Joomla					

Microsoft Office Add-in to EpiServer
Documents created in Adobe Illustrator by graphic design team.
DCC (Sharepoint), InDesign, Acrobat
Adobe

Type	No.	Councils
PDF	66	All councils who participated in survey – refer to appendix one
HTML	14	Dunedin City Council, Far North District Council, Greater Wellington Regional Council, Hamilton City Council, Matamata-Piako District Council, New Plymouth District Council, Northland Regional Council, South Waikato District Council, Southland District Council, Tauranga City Council, Waikato Regional Council, Wanganui District Council, Wellington City Council, Whangarei District Council
XML	1	Palmerston North City Council
eBooks	7	Gisborne District Council, Hurunui District Council, Hutt City Council, Marlborough District Council, South Waikato District Council, Tauranga City Council, Waimakariri District Council
Other	13	Dunedin City Council, Hamilton City Council, Hutt City Council, Marlborough District Council, Masterton District Council, Matamata-Piako District Council, Napier City Council, Northland Regional Council, Tauranga City Council, Waikato Regional Council, Waimakariri District Council, Whakatāne District Council, Whangarei District Council

27. When undertaking development or specifying development of your website have you considered the OWASP Top 10 security risks?				
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count
Yes	28.8%	19	20	8
No	27.3%	18	28	27
Plan to	19.7%	13	10	15
Don't know	24.2%	16	16	22
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>

## Social Media

What social media networking channels does your Council use?

28. What social media and networking channels does your Council use (if any)? (select all boxes relevant to you)					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Facebook	95.5%	63	64	59	45
Flickr	16.7%	11	8	7	9
Google+	10.6%	7	8	4	-
Instagram	10.6%	7	-	-	-
LinkedIn	47.0%	31	24	16	9
Pinterest	1.5%	1	3	1	-
Tumblr	0.0%	0	1	1	-
Twitter	66.7%	44	43	41	30
Vimeo	0.0%	0	3	2	-
YouTube	72.7%	48	45	36	27
None	1.5%	1	7	9	11
Other (please specify)	18.2%	12	6	4	5
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>63</b>
<b>Other (please specify)</b>					
Provide online sharing links on every page to a wide range of social media sites					
Storify - <a href="https://storify.com/WgtnCC/thewellingtonway">https://storify.com/WgtnCC/thewellingtonway</a>					
Not using					
Neighbourly					
Neighbourly					
Four Square, Stuff.co.nz (commenting account)					
Facebook on TECT Park website					
Council Blog (Backstory)					
Neighbourly.co.nz - <a href="https://www.neighbourly.co.nz/organisation/whangarei-district-council">https://www.neighbourly.co.nz/organisation/whangarei-district-council</a>					
Neighbourly					
Neighbourly					
LinkedIn use outsourced to Adcorp for specific projects and campaigns					

## Facebook URL's:

Councils	Web URL
Ashburton District Council	<a href="http://www.facebook.com/AshburtonDC">www.facebook.com/AshburtonDC</a>
Auckland Council	<a href="http://www.facebook.com/aklcouncil">www.facebook.com/aklcouncil</a>
Bay of Plenty Regional Council	<a href="http://www.facebook.com/boprc">www.facebook.com/boprc</a>
Buller District Council	<a href="http://www.facebook.com/BDCAnimalControl">www.facebook.com/BDCAnimalControl</a>
Central Hawke's Bay District Council	<a href="http://www.facebook.com/chb.council">www.facebook.com/chb.council</a>
Central Otago District Council	<a href="http://www.facebook.com/centralotagodistrictcouncil">www.facebook.com/centralotagodistrictcouncil</a>
Clutha District Council	<a href="http://www.facebook.com/pages/Clutha-District-Council/461291850553501">www.facebook.com/pages/Clutha-District-Council/461291850553501</a>
Dunedin City Council	<a href="http://www.facebook.com/DunedinCityCouncil">www.facebook.com/DunedinCityCouncil</a>
Environment Canterbury	<a href="http://www.facebook.com/EnvironmentCanterbury">www.facebook.com/EnvironmentCanterbury</a>
Environment Southland	<a href="http://www.facebook.com/environmentsouthland">www.facebook.com/environmentsouthland</a>
Far North District Council	<a href="http://www.facebook.com/FarNorthDistrictCouncil">www.facebook.com/FarNorthDistrictCouncil</a>
Gisborne District Council	<a href="http://www.facebook.com/GisborneDC">www.facebook.com/GisborneDC</a>
Gore District Council	<a href="http://www.facebook.com/GoreDC">www.facebook.com/GoreDC</a>
Greater Wellington Regional Council	<a href="http://www.facebook.com/greaterwellington">www.facebook.com/greaterwellington</a>
Grey District Council	<a href="http://www.facebook.com/GreyDC">www.facebook.com/GreyDC</a>
Hamilton City Council	<a href="http://www.facebook.com/hamiltoncitycouncil">www.facebook.com/hamiltoncitycouncil</a>
Hastings District Council	<a href="http://www.facebook.com/hastingsdc">www.facebook.com/hastingsdc</a>
Hauraki District Council	<a href="http://www.facebook.com/HaurakiDistrictCouncil">www.facebook.com/HaurakiDistrictCouncil</a>
Hawke's Bay Regional Council	<a href="http://www.facebook.com/hbregionalcouncil">www.facebook.com/hbregionalcouncil</a>
Horizons Regional Council	<a href="http://www.facebook.com/HorizonsRegionalCouncil">www.facebook.com/HorizonsRegionalCouncil</a>
Horowhenua District Council	<a href="http://www.facebook.com/HorowhenuaDC">www.facebook.com/HorowhenuaDC</a>
Hurunui District Council	<a href="http://www.facebook.com/HurunuiDistrictCouncil">www.facebook.com/HurunuiDistrictCouncil</a>
Hutt City Council	<a href="http://www.facebook.com/huttcitycouncil">www.facebook.com/huttcitycouncil</a>
Invercargill City Council	<a href="http://www.facebook.com/pages/Invercargill-City-Council/203603136318105?sk=timeline">www.facebook.com/pages/Invercargill-City-Council/203603136318105?sk=timeline</a>
Manawatu District Council	<a href="http://www.facebook.com/manawatudc">www.facebook.com/manawatudc</a>
Marlborough District Council	<a href="http://www.facebook.com/followmemarlboroughevents">www.facebook.com/followmemarlboroughevents</a>
Masterton District Council	<a href="http://www.facebook.com/pages/MY-Masterton/821031257969321">www.facebook.com/pages/MY-Masterton/821031257969321</a>
Matamata-Piako District Council	<a href="http://www.facebook.com/MatamataPiakoDistrictCouncil">www.facebook.com/MatamataPiakoDistrictCouncil</a>
Napier City Council	<a href="http://www.facebook.com/NapierCityCouncil">www.facebook.com/NapierCityCouncil</a>
Nelson City Council	<a href="http://www.facebook.com/nelsoncitycouncil">www.facebook.com/nelsoncitycouncil</a>
New Plymouth District Council	<a href="http://www.facebook.com/NewPlymouthDistrictCouncil">www.facebook.com/NewPlymouthDistrictCouncil</a>
Northland Regional Council	<a href="http://www.facebook.com/northlandregionalcouncil">www.facebook.com/northlandregionalcouncil</a>
Opotiki District Council	<a href="http://www.facebook.com/opotikidistrictcouncil">www.facebook.com/opotikidistrictcouncil</a>
Otago Regional Council	<a href="http://www.facebook.com/pages/Otago-Regional-Council/448287635297180">www.facebook.com/pages/Otago-Regional-Council/448287635297180</a>
Palmerston North City Council	<a href="http://www.facebook.com/PNCity">www.facebook.com/PNCity</a>
Porirua City Council	<a href="http://www.facebook.com/pages/Porirua-City-Council/304937590918">www.facebook.com/pages/Porirua-City-Council/304937590918</a>
Queenstown Lakes District Council	<a href="http://www.facebook.com/QLDCinfo">www.facebook.com/QLDCinfo</a>
Rotorua District Council	<a href="http://www.facebook.com/#!/RotoruaDistrictCouncil">www.facebook.com/#!/RotoruaDistrictCouncil</a>
Selwyn District Council	<a href="http://www.facebook.com/SelwynDistrictCouncil">www.facebook.com/SelwynDistrictCouncil</a>
South Taranaki District Council	<a href="http://www.facebook.com/pages/South-Taranaki-District-Council/122236384493057">www.facebook.com/pages/South-Taranaki-District-Council/122236384493057</a>
South Waikato District Council	<a href="http://www.facebook.com/southwaikatocouncil">www.facebook.com/southwaikatocouncil</a>
South Wairarapa District Council	<a href="http://www.facebook.com/southwairapadistrictcouncil">www.facebook.com/southwairapadistrictcouncil</a>
Southland District Council	<a href="http://www.facebook.com/southlanddistrictcouncil">www.facebook.com/southlanddistrictcouncil</a>
Stratford District Council	<a href="http://www.facebook.com/StratfordDistrictCouncil">www.facebook.com/StratfordDistrictCouncil</a>
Taranaki Regional Council	<a href="http://www.facebook.com/TaranakiRegionalGardens">www.facebook.com/TaranakiRegionalGardens</a>
Tararua District Council	<a href="http://www.facebook.com/TararuaDC">www.facebook.com/TararuaDC</a>
Tasman District Council	<a href="http://www.facebook.com/TasmanDistrictCouncil">www.facebook.com/TasmanDistrictCouncil</a>
Taupo District Council	<a href="http://www.facebook.com/TaupoDistrictCouncil">www.facebook.com/TaupoDistrictCouncil</a>
Tauranga City Council	<a href="http://www.facebook.com/TaurangaCityCouncil">www.facebook.com/TaurangaCityCouncil</a>
Thames-Coromandel District Council	<a href="http://www.facebook.com/ThamesCoromandelDistrictCouncil">www.facebook.com/ThamesCoromandelDistrictCouncil</a>

Timaru District Council	<a href="http://www.facebook.com/TimaruDC">www.facebook.com/TimaruDC</a>
Upper Hutt City Council	<a href="http://www.facebook.com/upperhuttcitylibrary">www.facebook.com/upperhuttcitylibrary</a> <a href="http://www.facebook.com/upperhuttcitycouncil">www.facebook.com/upperhuttcitycouncil</a>
Waikato District Council	<a href="http://www.facebook.com/WaikatoDistrictCouncil">www.facebook.com/WaikatoDistrictCouncil</a>
Waikato Regional Council	<a href="http://www.facebook.com/WaikatoRegion">www.facebook.com/WaikatoRegion</a> <a href="http://www.facebook.com/BUSITWaikato">www.facebook.com/BUSITWaikato</a> <a href="http://www.facebook.com/WaikatoCivilDefence">www.facebook.com/WaikatoCivilDefence</a> <a href="http://www.facebook.com/hamiltonhalo">www.facebook.com/hamiltonhalo</a> <a href="http://www.facebook.com/projectecho">www.facebook.com/projectecho</a>
Waimakariri District Council	<a href="http://www.facebook.com/WaimakaririDistrictCouncil">www.facebook.com/WaimakaririDistrictCouncil</a>
Waipa District Council	<a href="http://www.facebook.com/WaipaDistrictCouncil">www.facebook.com/WaipaDistrictCouncil</a>
Wairoa District Council	<a href="http://www.facebook.com/wairoadistrictcouncil">www.facebook.com/wairoadistrictcouncil</a>
Waitaki District Council	<a href="http://www.facebook.com/WaitakiDistrictCouncil">www.facebook.com/WaitakiDistrictCouncil</a>
Waitomo District Council	<a href="http://www.facebook.com/waitomodistrict">www.facebook.com/waitomodistrict</a>
Wanganui District Council	<a href="http://www.facebook.com/pages/Wanganui-District-Council/45408007048">www.facebook.com/pages/Wanganui-District-Council/45408007048</a>
Wellington City Council	<a href="http://www.facebook.com/wellingtoncitycouncil">www.facebook.com/wellingtoncitycouncil</a>
Westland District Council	<a href="http://www.facebook.com/pages/Westland-District-Library/196652647066632?fref=ts">www.facebook.com/pages/Westland-District-Library/196652647066632?fref=ts</a>
Whakatane District Council	<a href="http://www.facebook.com/WhakataneDistrictCouncil">www.facebook.com/WhakataneDistrictCouncil</a>
Whangarei District Council	<a href="http://www.facebook.com/WhangareiDC">www.facebook.com/WhangareiDC</a>

**Flickr URL's:**

Councils	Web URL
Ashburton District Council	<a href="http://www.flickr.com/photos/ashburtondc/">www.flickr.com/photos/ashburtondc/</a>
Dunedin City Council	<a href="http://www.flickr.com/photos/95014006@N04/">www.flickr.com/photos/95014006@N04/</a>
Gisborne District Council	<a href="http://www.flickr.com/Gisborne_districtcouncil">www.flickr.com/Gisborne_districtcouncil</a>
Greater Wellington Regional Council	<a href="http://www.flickr.com/photos/greaterwellington">www.flickr.com/photos/greaterwellington</a>
Hamilton City Council	<a href="http://www.flickr.com/photos/125255290@N04/">www.flickr.com/photos/125255290@N04/</a>
Marlborough District Council	<a href="http://www.flickr.com/photos/125291061@N06/">www.flickr.com/photos/125291061@N06/</a>
Masterton District Council	<a href="http://www.facebook.com/WaitangiDayMasterton">www.facebook.com/WaitangiDayMasterton</a>
New Plymouth District Council	<a href="http://www.flickr.com/photos/newplymouth">www.flickr.com/photos/newplymouth</a>
Palmerston North City Council	<a href="http://www.flickr.com/photos/pncc/">www.flickr.com/photos/pncc/</a>
Waimakariri District Council	<a href="http://www.flickr.com/people/waimakariridc/">www.flickr.com/people/waimakariridc/</a>
Wellington City Council	<a href="https://www.flickr.com/photos/wgtncc">https://www.flickr.com/photos/wgtncc</a> x

**Google+ URL's:**

Councils	Web URL
Hawke's Bay Regional Council	<a href="https://plus.google.com/1118047099529520">https://plus.google.com/1118047099529520</a>
Masterton District Council	<a href="https://www.facebook.com/pages/Masterton-Icons/328407580624320">https://www.facebook.com/pages/Masterton-Icons/328407580624320</a>
Napier City Council	<a href="https://plus.google.com/u/1/106399276796125556895">https://plus.google.com/u/1/106399276796125556895</a>
Waikato Regional Council	<a href="https://plus.google.com/101604799984868235869/posts?fd=1">https://plus.google.com/101604799984868235869/posts?fd=1</a>
Waitomo District Council	<a href="https://plus.google.com/u/0/b/105753673216999795185/105753673216999795185/posts/p/pub">https://plus.google.com/u/0/b/105753673216999795185/105753673216999795185/posts/p/pub</a>

**LinkedIn URL's:**

Councils	Web URL
Auckland Council	<a href="http://www.linkedin.com/company/auckland-council">www.linkedin.com/company/auckland-council</a>
Bay of Plenty Regional Council	<a href="http://www.nz.linkedin.com/company/bay-of-plenty-regional-council">www.nz.linkedin.com/company/bay-of-plenty-regional-council</a>
Dunedin City Council	<a href="http://www.linkedin.com/company/dunedin-city-council">www.linkedin.com/company/dunedin-city-council</a>
Environment Canterbury	<a href="http://www.linkedin.com/company/environment-canterbury">http://www.linkedin.com/company/environment-canterbury</a>
Far North District Council	<a href="http://www.linkedin.com/company/far-north-district-council">www.linkedin.com/company/far-north-district-council</a>
Gore District Council	<a href="http://www.linkedin.com/company/gore-district-council">www.linkedin.com/company/gore-district-council</a> ?
Greater Wellington Regional Council	<a href="http://www.linkedin.com/company/greater-wellington-regional-council">www.linkedin.com/company/greater-wellington-regional-council</a>
Hamilton City Council	<a href="https://www.linkedin.com/company/2758203">https://www.linkedin.com/company/2758203</a>
Hauraki District Council	<a href="http://www.linkedin.com/company/hauraki-district-council">www.linkedin.com/company/hauraki-district-council</a>
Hawke's Bay Regional Council	<a href="http://www.linkedin.com/company/hawkes-bay-regional-council">www.linkedin.com/company/hawkes-bay-regional-council</a>
Horizons Regional Council	<a href="http://www.linkedin.com/company/horizons-regional-council">www.linkedin.com/company/horizons-regional-council</a>
Horowhenua District Council	<a href="http://www.linkedin.com/company/horowhenua-district-council">www.linkedin.com/company/horowhenua-district-council</a>
Hurunui District Council	<a href="http://www.linkedin.com/company/hurunui-district-council">www.linkedin.com/company/hurunui-district-council</a>
Marlborough District Council	<a href="http://www.linkedin.com/company/marlborough-district-council">www.linkedin.com/company/marlborough-district-council</a>
Napier City Council	<a href="http://www.linkedin.com/company/napier-city-council">www.linkedin.com/company/napier-city-council</a>
Nelson City Council	<a href="http://www.linkedin.com/company/nelson-city-council">www.linkedin.com/company/nelson-city-council</a>
Northland Regional Council	<a href="http://www.linkedin.com/company/northland-regional-council">www.linkedin.com/company/northland-regional-council</a>
Palmerston North City Council	<a href="http://www.linkedin.com/company/palmerston-north-city-council">www.linkedin.com/company/palmerston-north-city-council</a>
Queenstown Lakes District Council	<a href="http://www.linkedin.com/company/queenstown-lakes-district-council">www.linkedin.com/company/queenstown-lakes-district-council</a>
South Waikato District Council	<a href="http://www.linkedin.com/company/south-waikato-district-council">www.linkedin.com/company/south-waikato-district-council</a>
Southland District Council	<a href="http://www.linkedin.com/company/1064026">www.linkedin.com/company/1064026</a>
Taranaki Regional Council	<a href="http://www.linkedin.com/company/taranaki-regional-council?trk=company_name">www.linkedin.com/company/taranaki-regional-council?trk=company_name</a>
Tasman District Council	<a href="http://www.linkedin.com/company/tasman-district-council">www.linkedin.com/company/tasman-district-council</a>
Taupo District Council	<a href="http://www.linkedin.com/company/taupo-district-council">www.linkedin.com/company/taupo-district-council</a>
Tauranga City Council	<a href="http://www.linkedin.com/company/tauranga-city-council">www.linkedin.com/company/tauranga-city-council</a>
Waitomo District Council	<a href="http://www.linkedin.com/company/722642?trk=EML_cp-admin">www.linkedin.com/company/722642?trk=EML_cp-admin</a>
Wanganui District Council	<a href="http://www.linkedin.com/company/wanganui-district-council">www.linkedin.com/company/wanganui-district-council</a>
Wellington City Council	<a href="http://www.linkedin.com/company/wellington-city-council">www.linkedin.com/company/wellington-city-council</a>
Western Bay of Plenty District Council	<a href="http://www.linkedin.com/company/2726428?trk=prof-exp-company-name">www.linkedin.com/company/2726428?trk=prof-exp-company-name</a>
Whangarei District Council	<a href="http://www.linkedin.com/company/whangarei-district-council">www.linkedin.com/company/whangarei-district-council</a>

**Instagram URL's:**

Councils	Web URL
Gisborne District Council	<a href="http://www.instagram.com/GisborneDC">www.instagram.com/GisborneDC</a>
Queenstown Lakes District Council	<a href="http://www.instagram.com/queenstownlakes">www.instagram.com/queenstownlakes</a>
Taranaki Regional Council	<a href="http://www.instagram.com/taranaki_regional_council">www.instagram.com/taranaki_regional_council</a>
Wellington City Council	<a href="http://www.instagram.com/wgtncc/">www.instagram.com/wgtncc/</a>

**Pinterest: URL's:**

Councils	Web URL
Waimakariri District Council	<a href="http://www.pinterest.com/waimaklib/">www.pinterest.com/waimaklib/</a>

## Twitter URL's:

Councils	Web URL
Auckland Council	<a href="http://www.twitter.com/aklcouncil">www.twitter.com/aklcouncil</a>
Bay of Plenty Regional Council	<a href="http://www.twitter.com/boprc">www.twitter.com/boprc</a>
Central Hawke's Bay District Council	<a href="http://www.twitter.com/chbcouncil">www.twitter.com/chbcouncil</a>
Dunedin City Council	<a href="http://www.twitter.com/DnCityCouncil">www.twitter.com/DnCityCouncil</a>
Environment Canterbury	<a href="http://www.twitter.com/ECan">www.twitter.com/ECan</a>
Environment Southland	<a href="http://www.twitter.com/cdsouthland">www.twitter.com/cdsouthland</a>
Gisborne District Council	<a href="http://www.twitter.com/GDC_Updates">www.twitter.com/GDC_Updates</a> <a href="http://www.twitter.com/GDC_Jobs">www.twitter.com/GDC_Jobs</a> <a href="http://www.twitter.com/GDC_Roads">www.twitter.com/GDC_Roads</a>
Greater Wellington Regional Council	<a href="http://www.twitter.com/greaterwgtm">www.twitter.com/greaterwgtm</a>
Grey District Council	<a href="http://www.twitter.com/GreyDistrict">www.twitter.com/GreyDistrict</a>
Hamilton City Council	<a href="http://www.twitter.com/CouncilHamilton">www.twitter.com/CouncilHamilton</a>
Hawke's Bay Regional Council	<a href="http://www.twitter.com/#!/hawkesbayrc">www.twitter.com/#!/hawkesbayrc</a>
Horizons Regional Council	<a href="http://www.twitter.com/horizonsrc">www.twitter.com/horizonsrc</a>
Horowhenua District Council	<a href="http://www.twitter.com/horodc">www.twitter.com/horodc</a>
Hurunui District Council	<a href="http://www.twitter.com/hurunuidc">www.twitter.com/hurunuidc</a>
Hutt City Council	<a href="http://www.twitter.com/huttcitycouncil">www.twitter.com/huttcitycouncil</a>
Invercargill City Council	<a href="http://www.twitter.com/InvercargillNZ">www.twitter.com/InvercargillNZ</a>
Marlborough District Council	<a href="http://www.twitter.com/MarlDistCouncil">www.twitter.com/MarlDistCouncil</a>
Masterton District Council	<a href="http://www.twitter.com/mymasterton">www.twitter.com/mymasterton</a>
Napier City Council	<a href="http://www.twitter.com/napier_cd">www.twitter.com/napier_cd</a>
Nelson City Council	<a href="http://www.twitter.com/nelsoncitynz">www.twitter.com/nelsoncitynz</a>
New Plymouth District Council	<a href="http://www.twitter.com/NPDCouncil">www.twitter.com/NPDCouncil</a>
Northland Regional Council	<a href="http://www.twitter.com/NRCexpress">www.twitter.com/NRCexpress</a>
Otago Regional Council	<a href="http://www.twitter.com/otagoRC">www.twitter.com/otagoRC</a>
Palmerston North City Council	<a href="http://www.twitter.com/PNCityCouncil">www.twitter.com/PNCityCouncil</a>
Porirua City Council	<a href="http://www.twitter.com/Porirua_City">www.twitter.com/Porirua_City</a>
Queenstown Lakes District Council	<a href="http://www.twitter.com/queenstownlakes">www.twitter.com/queenstownlakes</a>
Rotorua District Council	<a href="http://www.twitter.com/rotoruaacouncil">www.twitter.com/rotoruaacouncil</a>
Selwyn District Council	<a href="http://www.twitter.com/futureforselwyn">www.twitter.com/futureforselwyn</a>
South Taranaki District Council	<a href="http://www.twitter.com/LibraryPlus">www.twitter.com/LibraryPlus</a>
South Waikato District Council	<a href="http://www.twitter.com/SouthWaikatoDC">www.twitter.com/SouthWaikatoDC</a>
Stratford District Council	<a href="http://www.twitter.com/stratfordnz">www.twitter.com/stratfordnz</a>
Taranaki Regional Council	<a href="http://www.twitter.com/TaranakiRC">www.twitter.com/TaranakiRC</a>
Tasman District Council	<a href="http://www.twitter.com/tasmandc">www.twitter.com/tasmandc</a>
Taupo District Council	<a href="http://www.twitter.com/Taupo_dc">www.twitter.com/Taupo_dc</a>
Tauranga City Council	<a href="http://www.twitter.com/TgaCouncil">www.twitter.com/TgaCouncil</a>
Upper Hutt City Council	<a href="http://www.twitter.com/#!/UHlibrary">www.twitter.com/#!/UHlibrary</a>
Waikato Regional Council	<a href="http://www.twitter.com/ourwaikato">www.twitter.com/ourwaikato</a> <a href="http://www.twitter.com/BUSIT">www.twitter.com/BUSIT</a>
Waimakariri District Council	<a href="http://www.twitter.com/waimakariridc">www.twitter.com/waimakariridc</a>
Waipa District Council	<a href="http://www.twitter.com/Waipia_DC">www.twitter.com/Waipia_DC</a>
Waitaki District Council	<a href="http://www.twitter.com/waitakidc">www.twitter.com/waitakidc</a>
Wellington City Council	<a href="http://www.twitter.com/wgtmcc">www.twitter.com/wgtmcc</a>
Whakatane District Council	<a href="http://www.twitter.com/WhakataneDC1">www.twitter.com/WhakataneDC1</a>
Whangarei District Council	<a href="http://www.twitter.com/WhangareiDC">www.twitter.com/WhangareiDC</a>

## You Tube: URL's:

Councils	Web URL
Auckland Council	<a href="http://www.youtube.com/user/AkCouncil">www.youtube.com/user/AkCouncil</a>
Bay of Plenty Regional Council	<a href="http://www.youtube.com/bopregionalcouncil">www.youtube.com/bopregionalcouncil</a>
Dunedin City Council	<a href="http://www.youtube.com/user/dunedinincitycouncil">www.youtube.com/user/dunedinincitycouncil</a>
Environment Canterbury	<a href="http://www.youtube.com/user/ECanGovt">www.youtube.com/user/ECanGovt</a>
Environment Southland	<a href="http://www.youtube.com/user/environementsouthland">www.youtube.com/user/environementsouthland</a>
Far North District Council	<a href="http://www.youtube.com/channel/UCRbGkKangRqARw4Beo1kI9Q">www.youtube.com/channel/UCRbGkKangRqARw4Beo1kI9Q</a>
Gisborne District Council	<a href="http://www.youtube.com/GisborneDC">www.youtube.com/GisborneDC</a>
Gore District Council	<a href="http://www.youtube.com/user/GoreDistrictCouncil">www.youtube.com/user/GoreDistrictCouncil</a>
Greater Wellington Regional Council	<a href="http://www.youtube.com/greaterwellington">www.youtube.com/greaterwellington</a>
Hamilton City Council	<a href="http://www.youtube.com/HamiltonCityCouncil">www.youtube.com/HamiltonCityCouncil</a>
Hastings District Council	<a href="http://www.youtube.com/user/hastingsdc">www.youtube.com/user/hastingsdc</a>
Hauraki District Council	<a href="http://www.youtube.com/user/HaurakiDC">www.youtube.com/user/HaurakiDC</a>
Hawke's Bay Regional Council	<a href="http://www.youtube.com/hbregionalcouncil">www.youtube.com/hbregionalcouncil</a>
Horizons Regional Council	<a href="http://www.youtube.com/HorizonsRC">www.youtube.com/HorizonsRC</a>
Horowhenua District Council	<a href="http://www.youtube.com/user/CCTV4HDC">www.youtube.com/user/CCTV4HDC</a>
Hutt City Council	<a href="http://www.youtube.com/huttcitycouncil">www.youtube.com/huttcitycouncil</a>
Marlborough District Council	<a href="http://www.youtube.com/channel/UCI0cwLPcK77Rvb8w0Ijwd_Q">www.youtube.com/channel/UCI0cwLPcK77Rvb8w0Ijwd_Q</a>
Matamata-Piako District Council	<a href="http://www.youtube.com/matamatapiakodc">www.youtube.com/matamatapiakodc</a>
Napier City Council	<a href="http://www.youtube.com/user/NapierCityCouncil">www.youtube.com/user/NapierCityCouncil</a>
Nelson City Council	<a href="http://www.youtube.com/user/nelsoncitycouncil">www.youtube.com/user/nelsoncitycouncil</a>
New Plymouth District Council	<a href="http://www.youtube.com/npdc1">www.youtube.com/npdc1</a>
Northland Regional Council	<a href="http://www.youtube.com/user/NorthlandRegCouncil">www.youtube.com/user/NorthlandRegCouncil</a>
Otago Regional Council	<a href="https://www.youtube.com/channel/UC77y56iglzQYFTyLKUHxQXg">https://www.youtube.com/channel/UC77y56iglzQYFTyLKUHxQXg</a>
Palmerston North City Council	<a href="http://www.youtube.com/user/PNCCTV">www.youtube.com/user/PNCCTV</a>
Porirua City Council	<a href="http://www.youtube.com/user/poriruavideos">www.youtube.com/user/poriruavideos</a>
Selwyn District Council	<a href="http://www.youtube.com/sensationalselwyn">www.youtube.com/sensationalselwyn</a> , SelwynComms
South Taranaki District Council	<a href="http://www.youtube.com/user/SouthTaranakiDC">www.youtube.com/user/SouthTaranakiDC</a>
South Waikato District Council	<a href="http://www.youtube.com/user/SouthWaikatoCouncil">www.youtube.com/user/SouthWaikatoCouncil</a>
Southland District Council	<a href="http://www.youtube.com/channel/UCqgm6Owa7JgwmnpQmwVudA">www.youtube.com/channel/UCqgm6Owa7JgwmnpQmwVudA</a>
Taranaki Regional Council	<a href="http://www.youtube.com/TaranakRc">www.youtube.com/TaranakRc</a>
Tararua District Council	<a href="http://www.youtube.com/user/TararuaCountry/videos">www.youtube.com/user/TararuaCountry/videos</a>
Tasman District Council	<a href="http://www.youtube.com/user/TasmanDistrict">www.youtube.com/user/TasmanDistrict</a>
Taupo District Council	<a href="http://www.youtube.com/channel/UC2TRxnPwclYt9CmhVjv-NIA">www.youtube.com/channel/UC2TRxnPwclYt9CmhVjv-NIA</a>
Tauranga City Council	<a href="http://www.youtube.com/channel/UCde4c26jIE60fWGoNMEozDQ">www.youtube.com/channel/UCde4c26jIE60fWGoNMEozDQ</a>
Upper Hutt City Council	<a href="http://www.youtube.com/upperhuttlibrary">www.youtube.com/upperhuttlibrary</a>
Waikato Regional Council	<a href="http://www.youtube.com/user/webmasterEW?feature=mhee">www.youtube.com/user/webmasterEW?feature=mhee</a>
Waimakariri District Council	<a href="http://www.youtube.com/channel/UCW-prcFmYgJJffyg75Yw_g">www.youtube.com/channel/UCW-prcFmYgJJffyg75Yw_g</a>
Waipa District Council	<a href="http://www.youtube.com/user/WaipADC">www.youtube.com/user/WaipADC</a>
Wairoa District Council	<a href="http://www.youtube.com/channel/UCT6dE23-6NqHlInirHL-Zig">www.youtube.com/channel/UCT6dE23-6NqHlInirHL-Zig</a>
Waitaki District Council	<a href="http://www.youtube.com/user/WaitakiDC">www.youtube.com/user/WaitakiDC</a>
Wellington City Council	<a href="http://www.youtube.com/WgtnCC">www.youtube.com/WgtnCC</a>
Whakatane District Council	<a href="http://www.youtube.com/user/whakatastic">www.youtube.com/user/whakatastic</a>
Whangarei District Council	<a href="http://www.youtube.com/user/WhangareiDC">www.youtube.com/user/WhangareiDC</a>

Other: 6 councils

Councils	Web URL
Neighbourly	Horizons Regional Council, New Plymouth District Council, Taupo District Council, Whakatāne District Council, Whangarei District Council
Provide online sharing links on every page to a wide range of social media sites	Invercargill City Council
LinkedIn use outsourced to Adcorp for specific projects and campaigns	Opotiki District Council
Four Square, Stuff.co.nz (commenting account)	Selwyn District Council
Council Blog (Backstory)	Tauranga City Council
Storify - <a href="https://storify.com/WgtnCC/thewellingtonway">https://storify.com/WgtnCC/thewellingtonway</a>	Wellington City Council
Facebook on TECT Park website	Western Bay of Plenty District Council

30. Does your Council have a social media/networking policy?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes	71.2%	47	52	41	34
No	28.8%	19	22	31	29
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>63</b>

31. Does your Council block access to social networking websites?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes	18.2%	12	18	19	29
No	81.8%	54	56	53	34
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>63</b>

32. If access is not blocked, who has access?				
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count
All Staff	77.6%	45	48	39
CEO and Management	10.3%	6	5	8
IT Only	10.3%	6	8	10
Libraries and Facilities	6.9%	4	4	8
Comms and Marketing	19.0%	11	15	14
Other (please specify)	15.5%	9	7	10
<b>Total Response</b>		<b>58</b>	<b>66</b>	<b>60</b>
<b>Other (please specify)</b>				
"Other" on a case-by-case basis; managers need to approve				
As requested				
Nominated staff access (e.g. social media Admins), unblocked to all staff between noon and 2pm				
Staff dealing with public communications				
Selected communications and promotions individuals				
Specific staff for work and then for use out of hours				
Approved staff				
MOST (but not all) staff can access Facebook, Twitter				
Access to social media based on position relevance				

<b>33. What system do you use to monitor social media?</b>		
<b>Answer Options</b>	<b>2015 Response Percent</b>	<b>2015 Response Count</b>
Google alerts	62.5%	30
Social mention	10.4%	5
Other (please specify)	62.5%	30
<b>Total Response</b>		<b>48</b>
<b>Other (please specify)</b>		
Email, Facebook alerts		
Having staff on various community Facebook sites		
Built-in Twitter and Facebook tools		
Sprout Social, Hootsuite		
Insights (Facebook)		
Part of the Communication Officer's role		
Web Marshall and Firewall Reporting		
Sprout Social		
Hootsuite		
Sprout Social		
Nil		
Some iSentia monitoring		
None		
Manual		
Email alerts		
Hootsuite		
Mail marshall		
Media Portal		
Meltwater icerocket		
Hootsuite, icerocket		
ICentia Meida Portal		
none		
Facebook & google analytics, klout, twitreach		
TweetDeck		
Facebook Insights		
Alerts from social media sited are set to send emails to comms team		
Native websites with push notifications (this should be an option)		
Hootsuite, alerts		
Not fully sure as outsourced to Bay of Plenty Regional Council when required and manually by staff through direct Facebook notifications etc		
TweetDeck		

34. What system do you use to manage and do reporting on social media?		
Answer Options	2015 Response Percent	2015 Response Count
HootSuite	42.5%	17
TweetDeck	20.0%	8
YooHoo	0.0%	0
Other (please specify)	45.0%	18
<b>Total Response</b>		<b>40</b>
<b>Other (please specify)</b>		
Internet Explorer, Chrome		
We don't		
Sprout Social		
Insights (Facebook)		
Manual - see "other" note on 32 above		
I'm unsure		
Sprout Social		
None		
Native sites		
None		
n/a		
Trialling HootSuite		
none		
Facebook insights		
N/A		
We do our own		
Native websites (Both Facebook and Twitter provide free analytics)		
Direct from Facebook insights and through a third party for specific projects and campaigns		

35. Do you archive all your Social Media posts and conversations?		
Answer Options	2015 Response Percent	2015 Response Count
Backupify	0.0%	0
Social Safe	6.9%	2
Archive Social	3.4%	1
Other (please specify)	89.7%	26
<b>Total Response</b>		<b>29</b>
<b>Other (please specify)</b>		
Facebook archives		
No		
No archiving		
Selective		
No - but policy likely to be changed this year		
Manual exports		
Only when contentious or needs a reply		
Sprout Social		
No		
Not currently. Facebook recent		
We record most significant questions in TRIM and in Tech1 Ci as part of the existing customer management process		
None		
Not currently in a formal way		

Not currently, planning on doing this in the coming year
Manual back up (spreadsheet)
ERDMS
No
Manual
Only on the rare occasion and it is manual. However, this will change in the near future.
None
Only some photos
In-house EDRMS
N/A
We export as a csv
Manually stored into Objective file system
No

## Open Data

36. Do you offer datasets on your website?					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes on our website	22.7%	15	15	10	9
Yes on other websites	25.8%	17	14	12	10
No on either	43.9%	29	33	38	34
Don't know	16.7%	11	14	15	11
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>	<b>63</b>

37. What type of datasets do you share?	
Answer Options	2015 Response Count
<b>Total Response</b>	28
<b>Response Text</b>	
Rates Information	
GIS Data	
Consultation details from five other Southland councils and organisations: see councilsouth.co.nz for examples.	
Rates, Utilities	
Planning	
Mapping data Food waste data (as part of the national food waste data collection project) Earthquake-prone buildings list Road works Engagement on the 2015-25 draft long-term plan Urban growth data	
GIS	
<ul style="list-style-type: none"> <li>•spreadsheet</li> <li>•KML file</li> <li>•shapefile (in WGS84 projection)</li> <li>•API link</li> </ul>	
<a href="http://data.ecan.govt.nz/Catalogue/Search?CollectionId=10">http://data.ecan.govt.nz/Catalogue/Search?CollectionId=10</a> All to do with public transport - journey planner etc.	
GIS, Cemeteries, Property Details	
We offer restricted access to our: Property Information: <a href="http://www.waipadc.govt.nz/our-services/Properties/PropertySnapshot/Pages/default.aspx">http://www.waipadc.govt.nz/our-services/Properties/PropertySnapshot/Pages/default.aspx</a> Map information: <a href="http://www.waipadc.govt.nz/our-services/maponline/Pages/default.aspx">http://www.waipadc.govt.nz/our-services/maponline/Pages/default.aspx</a> Rates calculator: <a href="http://www.waipadc.govt.nz/our-services/rates/RID/Pages/default.aspx">http://www.waipadc.govt.nz/our-services/rates/RID/Pages/default.aspx</a> District Plan snapshot: <a href="http://www.waipadc.govt.nz/our-services/Properties/DistrictPlanSnapshot/Pages/default.aspx">http://www.waipadc.govt.nz/our-services/Properties/DistrictPlanSnapshot/Pages/default.aspx</a> Online cemetery database: <a href="http://rid.waipadc.govt.nz/cemetery/">http://rid.waipadc.govt.nz/cemetery/</a>	
Planning, River levels and rainfall	
Environmental information <a href="http://www.waikatoregion.govt.nz/Services/datacatalogue/">http://www.waikatoregion.govt.nz/Services/datacatalogue/</a>	
Spatial data - imagery, district plan, consent and property info	
RID	
GIS, various	
GIS	
GIS data only at this stage. We are looking at what other data sets we can share.	
Weather station information	
Aerial photography, Vector data for mapping	
Mapping layers: as built plans, pipes, dog walking areas	
Webcam feed and Events Listing	

38. Do you offer a way to stay in touch with dataset updates? (mailing list, RSS feed, etc.)					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
Yes	24.2%	16	14	3	4
No	60.6%	40	45	12	8
Don't know	15.2%	10	15	4	2
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>19</b>	<b>14</b>

39. If yes, what methods do you use:					
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count	2012 Response Count
N/A	55.6%	20	19	8	-
Mailing List	16.7%	6	6	1	0
Newsletter	5.6%	2	3	0	0
Open Standard WFS	5.6%	2	1		
RSS feed	19.4%	7	4	0	3
Website Notification	11.1%	4	4		
Other method (please specify)	8.3%	3	2	2	1
<b>Total Response</b>		<b>36</b>	<b>34</b>	<b>11</b>	<b>4</b>
<b>Other method (please specify)</b>					
Other organisations email updates in a set format					
For certain parts of website e.g. District Plan review					

Method	Councils
Mailing List	Far North District Council, Hurunui District Council, Otago Regional Council, Tasman District Council, Timaru District Council, Wellington City Council
Newsletter	Hutt City Council, Otago Regional Council
Open Standard WFS	Waikato District Council, Whangarei District Council
RSS feed	Auckland Council, Far North District Council, Marlborough District Council, New Plymouth District Council, Otago Regional Council, Rotorua Lakes Council, Taupo District Council, Whangarei District Council
Website Notification	Hurunui District Council, Otago Regional Council, Rotorua Lakes Council, Waikato Regional Council

## Mobile Devices

40. Is your website built using responsive design? (Website display changes if recognises mobile device access by smart phones, tablets).				
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count
Yes	57.6%	38	36.5%	17
No	25.8%	17	25.6%	33
Planning to in coming year	21.2%	14	37.8%	31
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>

41. Have you developed any mobile specific applications (apps)?				
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count
Yes	34.8%	23	20	20
No	65.2%	43	54	52
<b>Total Response</b>		<b>66</b>	<b>74</b>	<b>72</b>

42. If yes, tick those that apply:			
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count
N/A	51.6%	16	16
Building Inspection	16.1%	5	
Civil Defence	3.2%	1	3
Dog enquiry	6.5%	2	3
Events	3.2%	1	3
Journey planner (bus, walk, cycle)	9.7%	3	2
Mapping	9.7%	3	-
Rubbish Collection	3.2%	1	-
Service request / fix it	16.1%	5	8
Traffic / Road Conditions	3.2%	1	-
Water meter reading	12.9%	4	0
Other (please specify)		13	16
<b>Total Response</b>		<b>31</b>	<b>29</b>
<b>Other (please specify)</b>			
Dedicated Mobile Website			
Bus timetable			
General information from website i.e. Rubbish Collection Days, Property Info			
Not specific but all applications including job applications can be done via smartphone. Also, most contact numbers are clickable (to dial) on smart phones			
MyWaste App			
Street tree app for contractors; ERBA - Emergency Response for Building app; iDog for Animal Control; Asset Management work orders; Street tree app for contractors; mobile health and waste management in development			
Just use site			
Health and Liquor			
Compliance officers have an app			
Mobile version of key sections of website (A-Z of Services, Events, Council Documents)			
We make our online services available to everyone via our website, including mobile device users, instead of forcing Android/iOS users to download apps to access them. All website services are required to be 100% mobile accessible.			
Marketing - Hamilton City App			
Parks - MyParkx			
Library - Historical Hamilton			

Zoo - STQRY
Car Park Finder & Payment - Frog Parking Park & Reserve locator - myParx

43. What percentage of your visitors are accessing your website from a mobile device?				
Answer Options	2015 Response Percent	2015 Response Count	2014 Response Count	2013 Response Count
Less than 10%	3.0%	2	8	19
Between 10 -25%	39.4%	26	40	31
Between 25- 50%	50.0%	33	16	2
Over 50%	1.5%	1	0	1
Don't know	6.1%	4	10	18
N/A	0.0%	0	0	0
<b>Total Response</b>		<b>66</b>	<b>73</b>	<b>71</b>

Councils	Response
Less than 10%	South Wairarapa District Council, Waimate District Council
Between 10 -25%	Auckland Council, Bay of Plenty Regional Council, Buller District Council, Dunedin City Council, Environment Canterbury, Environment Southland, Far North District Council, Grey District Council, Hamilton City Council, Hastings District Council, Hauraki District Council, Hutt City Council, Manawatu District Council, Marlborough District Council, Northland Regional Council, Opotiki District Council, Rotorua Lakes Council, Southland District Council, Stratford District Council, Tararua District Council, Tasman District Council, Tauranga City Council, Waikato District Council, Waitaki District Council, Waitomo District Council, Wanganui District Council
Between 25- 50%	Ashburton District Council, Central Hawke's Bay District Council, Gisborne District Council, Gore District Council, Greater Wellington Regional Council, Hawke's Bay Regional Council, Horizons Regional Council, Horowhenua District Council, Hurunui District Council, Invercargill City Council, Matamata-Piako District Council, Napier City Council, Nelson City Council, New Plymouth District Council, Otago Regional Council, Otorohanga District Council, Palmerston North City Council, Porirua City Council, Queenstown Lakes District Council, Selwyn District Council, South Taranaki District Council, South Waikato District Council, Taranaki Regional Council, Taupo District Council, Timaru District Council, Upper Hutt City Council, Waimakariri District Council, Waipa District Council, Wairoa District Council, Wellington City Council, Western Bay of Plenty District Council, Whakatāne District Council, Whangarei District Council
Over 50%	Waikato Regional Council

## Appendix 1:

Council who participated in this survey		
Ashburton District Council	Hutt City Council	Stratford District Council
Auckland Council	Invercargill City Council	Taranaki Regional Council
Bay of Plenty Regional Council	Manawatu District Council	Tararua District Council
Buller District Council	Marlborough District Council	Tasman District Council
Central Hawke's Bay District Council	Masterton District Council	Taupo District Council
Central Otago District Council	Matamata-Piako District Council	Tauranga City Council
Clutha District Council	Napier City Council	Timaru District Council
Dunedin City Council	Nelson City Council	Upper Hutt City Council
Environment Canterbury	New Plymouth District Council	Waikato District Council
Environment Southland	Northland Regional Council	Waikato Regional Council
Far North District Council	Opotiki District Council	Waimakariri District Council
Gisborne District Council	Otago Regional Council	Waimate District Council
Gore District Council	Otorohanga District Council	Waipa District Council
Greater Wellington Regional Council	Palmerston North City Council	Wairoa District Council
Grey District Council	Porirua City Council	Waitaki District Council
Hamilton City Council	Queenstown Lakes District Council	Waitomo District Council
Hastings District Council	Rotorua Lakes Council	Wanganui District Council
Hauraki District Council	Selwyn District Council	Wellington City Council
Hawke's Bay Regional Council	South Taranaki District Council	Western Bay of Plenty District Council
Horizons Regional Council	South Waikato District Council	Westland District Council
Horowhenua District Council	South Wairarapa District Council	Whakatāne District Council
Hurunui District Council	Southland District Council	Whangarei District Council

# ALGIM

## 2015 ALGIM Local Government Web Audit Overview Report

By Dr Pete Parkin

### **Web Audit Assessment based on:**

- ❖ Self-Assessed WCAG 2.0 Compliance
- ❖ Self-Assessed Online Functionality (Snapshot)
- ❖ Accessibility Audit (Blind Foundation)
- ❖ Response Time Email (ALGIM check)
- ❖ Best Practice Review (ALGIM check)

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# 2015 ALGIM Local Government Web Audit

*Dr Peter Parkin*

*Association of Local Government Information Management Inc.*

## Abstract

This paper reports on the results of an annual ALGIM audit of New Zealand Council websites. The audit involved measuring Web Standards compliance by self-assessment survey and via an automated tool, email and Facebook enquiry response times, a selection of best practice factors and elements of a second survey regarding website functionality and online services.

The self-assessment survey found that Council websites have marginally high levels of compliance with most Web Standards compared to last year's audit. Tool-based evaluation of Web Standards was more extensive but overall gave similar compliance results to the self-assessment survey with the possible exception of several technical standards covering HTML issues. This divergence in compliance assessment may be due to a lack of HTML knowledge with some of the survey participants who thought their sites were compliant when they were not. It suggests that tool-based appraisal may be more reliable than assessment by Council Officer for technical standards.

The functionality and online services offered on Council websites assessed by the web audit have generally improved since last year. In particular, there has been a steady increase in the number of councils offering the various online payment mechanisms and two-thirds of surveyed Councils now have online facilities for credit card payments. The variety of items that can be paid for online has increased with rates payments being the most prevalent and available on more than three-quarters of the Council websites surveyed. It was also found that only a handful of Councils remain without any presence on social media or utilisation of networking channels.

It was found that for, Councils in general, the time to respond to an email enquiry has lengthened compared to last year and the non-response rate has increased. Nevertheless, a little over half of Councils responded to both an email enquiry and a separate Facebook enquiry within three hours. The number of best practice factors inspected this year has been extended, particularly to include several factors regarding online website services. The majority of factors and sub-factors examined in both 2014 and 2015 had slightly improved adoption rates among Councils this year.

Overall the audit identified that many Councils still have a large capacity for enhancing their website functionality and online services. This has been the case for several years even though there have been successive improvements in this area.

## Introduction

Early each year the Association of Local Government Information Management (ALGIM) conducts an audit of all city, district, regional and unitary Council websites throughout New Zealand (currently, a total of 78). In 2015, the audit consisted of five assessment components:

- Self-Assessed Web Standards compliance (an online survey based on elements of the Web Standards WCAG 2.0)
- Self-Assessed Website Functionality and Online Services (using responses to selected questions from the 2015 ALGIM Snapshot Survey of Council websites)
- Accessibility Audit (A tool-based audit of WCAG 2.0 Standards conformance undertaken by the Blind Foundation)
- Enquiry Response Time Tests (using both email and FaceBook enquiries and assessed by ALGIM)
- A Best Practice Review (An assessment of selected best practice elements and online services available on Council websites and conducted by ALGIM)

There are two main objectives for the overall ALGIM audit:

1. **To allow a ranking of Council websites** - to celebrate organisations striving to achieve compliance with the web standards and enhance accessibility and functionality and to provide justification for Council's wishing to improve their website, especially during any future redesigning or revamping projects.
2. **To record the current state of standards compliance, functionality, online services, accessibility and best practice factors among Council websites.** Audit results collected over several years allow the trends in Council websites improving functionality, accessibility and usability to be tracked, analysed and reported.

## Self-Assessed Web Standards Compliance (WCAG 2.0)

The ALGIM Web Standards Survey is based on the portions of the Web Content Accessibility Guidelines 2.0 (WCAG 2.0). WCAG 2.0 is used by the Department of Internal Affairs to formulate the current New Zealand Government Web Standards for Government Departments. The same survey questions used in both the 2013 and 2014 ALGIM Web Audits were again utilised this year to evaluate standards compliance.

The ALGIM Web Standards Survey is designed to be conducted in a self-assessed manner and contains 34 questions covering:

**Perceivable Standards** (10 Questions): Which concern the visual appearance of website pages, making sure that the pages do not solely rely on either visual (via images) or aural delivery to convey information.

**Operable Standards** (12 Questions): Which confirm that the website has multiple navigation mechanisms and can be fully operated using only a keyboard. Also covered are

the clarity of control information and ensuring there are facilities to control any automated information delivery on pages.

**Understandable Standards** (10 Questions): Which, on web-pages, cover appropriate language identification, consistent labelling, and ensuring that there are no surprises for users when each element receives focus. Also included are error prevention, messaging, and correction and provision of review facilities for information about to be submitted via input forms.

**Robust Standards** (2 Questions): Which relate to whether the use of HTML elements on web-pages is consistent with HTML grammar standards.

## Self-Assessed Website Functionality and Online Services

Each year, for the past several years, ALGIM has conducted a self-assessment (Snapshot) survey of Council websites. This survey is designed to give an overview of website related structures and mechanisms within local government.

The survey collects a diverse range of information concerning the strategies, management, content management, available datasets, testing methods, reporting mechanisms, metrics regimes and search facilities of websites. Also gathered is information regarding the usage, functionality, and support for online activities and mobile devices of websites, plus social media channels Councils use and related policies.

This year, the audit again used responses to a small subset of Snapshot Survey questions to measure website functionality and online services provided by Councils. These questions covered:

- online payment mechanisms and what could be paid for via the website;
- website functionality in terms of the online availability of interactive mapping tools, application forms for email or submission to backend databases, consultation, customer feedback, submissions and transactional services;
- the use of social media (typically linked to via the website but also available directly online).

## Accessibility Audit

This year, the accessibility component of the web audit involved of an automated audit of all Council websites regarding conformity with WCAG 2.0. High levels of conformity facilitate the effective use of a Council website by users of both mobile equipment and adaptive technology as well as supporting more traditional users.

The automated testing tool used was SortSite which is listed as one of the W3.orgs tools suitable for checking accessibility. The tests using this tool were undertaken by the Blind Foundation. SortSite has the ability to scrutinise website accessibility for all 60 WCAG 2.0 standards to a conformance level of AAA. These standards form a superset of the 34 examined by survey in the Web Standards Compliance component of the web audit. The 60 standards are composed of:

- 22 Perceivable Standards
- 19 Operable Standards
- 17 Understandable Standards
- 2 Robustness Standards

## Enquiry Response Time Tests

In previous years this component of the AGLIM Web Audit used an email enquiry sent to each Council to test the Council enquiry response times. However, the 2014 Snapshot survey conducted by ALGIM found that there is strong use of social media among Councils. The respondents to this survey represented some 95% of New Zealand Councils and 86% of them reported that their Council had a presence on Facebook. As a consequence, this year the enquiry response component was expanded to include a Facebook enquiry as well as the email enquiry.

The email enquiry measured the speed of response to a straightforward message sent to the general email address provided on a Council website. The enquiry was from ALGIM and was dual purpose as it requested details of the Council's current Corporate Planner or Planning Officer so that the ALGIM Database could be updated. For all Councils, the enquiry was sent during business hours mid-week at the end of March. Responses to enquiries were monitored for five working days from when the enquiries were dispatched and response times recorded.

The Facebook enquiry consisted of either a private message or a wall post sent individually from an ALGIM Corporate Facebook account to each of the Councils who were on Facebook. This enquiry requested the name and contact details of the Council's CIO for an update of ALGIM's Database. The private messages or wall posts were dispatched to during business hours on various work days in mid to late March. Facebook was monitored for responses for up to a week after the last enquiry was sent and times to respond were recorded.

## Best Practice Review

This review was formulated to ascertain whether Council websites met best practice in terms of specific content provision and presentation. The content and presentation factors chosen for review covered:

- New Zealand Government link
- legal notices
- file download information
- the printability of web pages
- enhanced site navigation
- online mapping of property or service information
- site support for consents
- site facilitation of online payments
- the use of mobile responsive design

These factors are further described below along with an identification of any sub-factors. The first four of these content factors were used in the 2014 Best Practice Review although alterations were made this year to the assessment of some of their sub-factors.

Councils are closely connected to the **New Zealand Government** and operate in accordance with numerous acts of parliament. Correspondingly, it seems reasonable for each Council to provide a link back to the NZ Government website, typically, on the home page of their website.

The **legal notice** factor includes both Copyright and Privacy Statements. Every Council should document in a Copyright Statement on their website that the Council, in the main, is the owner of the copyright of their webpage content. The terms of use of this web page content, usually that it is freely available for personal or non-commercial use, should also be briefly described. Councils are required to comply with the provisions of the Privacy Act 1993. One of the provisions is that an individual can contact an organisation complying with the act and seek to access any personal information on themselves held by that organisation. As any Council website is bound by the Privacy Act, then an individual's potential to contact the Council regarding privacy issues should be described within the site's privacy statement. In addition, many sites throughout the web store and utilise small amounts of information on a user's hard drive in the form of "cookies" when they browse the website. A Council website should certainly acknowledge if they employ cookies. Even if they don't, the use of cookies is so prevalent that the website should document that it does not use them to allay any user concerns.

Council websites typically contain many downloadable files often in PDF (e.g. annual reports, annual plans and 10-year plans) and of various sizes. Providing **file download information**, in particular the file size, allows a user to decide whether they want to download/open a file or not. Similarly, supporting **webpage printability** by removing banners, navigation links, and the search box when a page is to be printed from a browser is also desirable.

The new factor of **enhanced site navigation**, like the previous two factors, supports the general usability of a Council website. The particular enhanced navigation considered was provision of an A-Z of Council services or even the detailed content of the whole website. Such an A-Z allows a user to ascertain whether a service they are after is on the Council site and, if so, quickly navigate to it.

Three new factors added in this year cover online services provided or facilitated through a Council website. The first of these is **online mapping** which examines website support for detailed maps of either property information, underground services or, even, land flooding information for the area managed by a Council. The second factor in this group considers **site support for consents**. These cover either building or resource consents and scrutinise the provision of consent application forms (i.e. whether they are available in PDF or Word formats and possibly supported through some online mechanism). The last of the online service factors investigates direct provision of **online payments** through the site. The major payments Councils receive from people they serve are rates so facilitating rates payments through their website via credit or debit cards is desirable for any Council. However, many other payments such as those for water rates, general (non-rates) invoices, parking fines, dog re-registration, health licenses or various permit fees could potentially be made online through a Council's website.

In the 2014 Snapshot survey conducted by ALGIM, respondents reported that they thought that on average 21% of the users of their Council website were using a mobile device. This indicates that Councils should adopt **mobile responsive design** to develop their websites so that device specific displays are rendered for their users.

## Website Ranking Methodology

For the purpose of ranking Council websites, the scores achieved in each of the five assessment components of the audit were combined to form an overall score for each website.

The table below details the percentage that each component contributes to the overall score. Compared to last year, the self-assessed components have been reduced in favour of those assessed by ALGIM and the Blind Foundation. Conformance to web standards is examined in both in the self-assessed Web Standards component and, more extensively, in the tool-based Accessibility Audit. The increased weightings of the Enquire Response and Best Practice components reflect the expansion of testing in both these components. The former now covers a Facebook enquiry as well as an email enquiry and the latter has been extended this year to include specific online service and mobile responsive design factors.

**Assessment Component contributions to the overall Ranking Score**

<b>Self-Assessed Web Standards Compliance</b> [2014 Contributions]	<b>Self-Assessed Website Functionality and Online Services</b>	<b>Accessibility Audit (Blind Foundation)</b>	<b>Enquiry Response Times (ALGIM)</b>	<b>Best Practice Review (ALGIM)</b>
<b>10%</b> [45%]	<b>20%</b> [20%]	<b>30%</b> [20%]	<b>10%</b> [5%]	<b>30%</b> [10%]

**Method**

All five of the Web Audit components were undertaken within the period from February to early May in 2015.

An online survey was used to perform the self-assessed Web standards compliance component. Website functionality and online services were evaluated from responses to selected questions in the annual Snapshot Survey of Council websites. The Snapshot Survey also utilised online self-assessment. For each of the 78 New Zealand Councils, a Council officer involved in website operations was invited to participate in each of the online surveys. Both surveys remained open for Council officers from February to mid-April 2015.

The Accessibility Audit was undertaken on Council websites during late April and early May 2015.

As mentioned earlier, enquiry response times were based on email and Facebook enquiries sent in March 2015. Lastly, the Best Practice Review was carried out from early to mid-March 2015. This review include both a brief examination of each Council's website and a check of the homepage via a PC screen and smart phone. The specific technology used to conduct the review were the Internet Explorer browser (Version 11.0.17) and an Apple iPhone 4S.

In addition please note:

- Your website may have changed or improved since our review period.
- Accessibility Audit was undertaken by the Blind Foundation.
- Although multifaceted, this is a very light assessment and may not reflect the best or worst practices across a whole Council site.
- If a Council did not participate in the Self-assessed Web Standards Survey, they were given a zero score for this component. Similarly, if a Council did not participate in the Snapshot Survey of Council websites they were given a zero score for the Self-assessed Website Functionality and Online Services component. In addition, the 9 Councils without Facebook accounts received a zero score for this half the Enquiry Response component.

## Results and Discussion

### Self-Assessed Web Standards Compliance

The online survey to self-assess Web Standards compliance was undertaken by 60 Council officers giving a nominal response rate across all Councils of 77%. This response rate is slightly lower than the rates of 91% and 81% for same survey achieved in 2014 and 2013 respectively. However, unlike in previous years, this year all responding Council officers completed each of the 34 questions in the survey.

When calculating standards compliance levels, if a respondent indicated that they did not test whether a particular standard was met they were deemed not to have complied with that standard. However, if they indicated they couldn't find an instance of the particular standard on their website, they were deemed to comply with the standard. This was the same approach adopted in the 2014 survey. For compliance assessment a mark of one was given for each of the 34 survey standards complied with and the marks were summed and a percentage rating calculated to obtain a standards compliance score for a Council. For two of the standards, namely WCAG 2.0 1.1.1 concerning provision of text equivalents to non-text information and WCAG 2.0 2.1.1 regarding site navigation via the keyboard only, half marks were given if a respondent indicated that the standard was only generally complied with. For the latter standard, several respondents described that their sites were compliant with the exception of the current version of the DCC Mega Menu technology used on their sites.

The table below shows compliance levels among the various groups of Web Standards for respondent Councils in the 2015, 2014 and 2013 surveys. Most respondent Councils met the majority of the Web Standards covered in the appraisal with compliance averaging around 84% of the available marks. The upper quartile of Council scores for the current survey was similar to last year at over 90% as was the lower quartile of over 79%.

The table identifies that over the last year compliance levels among the Councils surveyed have slightly increased reasonably consistently across all four groups of Web standards. While these improvements are not as striking as those between 2013 and 2014 they do confirm a trend of enhanced standards compliance over the last three years.

<b>Grouping of Web Standards</b>	<b>2015 Average Compliance Level</b>	<b>2014 Average Compliance Level</b>	<b>2013 Average Compliance Level</b>
All WCAG 2.0 Standards Measured	<b>84%</b>	82%	73%
Perceivable Standards	<b>82%</b>	79%	71%
Operable Standards	<b>85%</b>	84%	75%
Understandable Standards	<b>86%</b>	84%	76%
Robust Standards	<b>68%</b>	64%	52%

Compliance levels among the Councils surveyed is high (exceeding 80% on average) for the perceivable, operable and understandable groups of standards. In common with previous years, respondent Councils are only moderately compliant with the two WCAG 2.0 robustness standards.

Generally, over the last year compliance levels for individual standards have stayed much the same or slightly improved. Some variation compared to the results from last year's survey is to be expected as the 2015 survey respondents represent a marginally different and slightly reduced cohort of Councils. Standards whose compliance levels differed by more than 6% between the 2014 and 2015 surveys are identified below.

Conformity to two perceivable standards has moderately increased. WCAG 2.0 1.3.3 (provision of information through other than sensory characteristic means) has moved up from 87% to 95%. Similarly compliance to the related standard WCAG 2.0 1.4.5 (not presenting textual data within images on web pages) has jumped from 82% to 92%.

The operable standard WCAG 2.0 2.4.7 (visibly indicating when a page element receives focus) is the only standard whose compliance level has moderately reduced from 65% down to 58% in the past year. However, conformity to another focus related standard from the understandable group has shown a reasonable improvement. WCAG 2.0 3.2.1 (the viewport and page context remaining unchanged when a page element receives focus) has had its compliance level increase from 85% to 95%. Conformity to another understandable standard, WCAG 2.0 3.1.2 (provision of appropriate language attributes for different sections of multilingual page content) has also improved from 63% to 70%.

Among the individual Web Standards assessed compliance was reasonably variable. The table below identifies very highly compliant standards.

<b>Standard</b>	<b>Standards with Very High Compliance (90% or more)</b> [-] <u>2014</u> & 2013 Compliance Levels	<b>Type and Compliance Level</b>
WCAG 2.0 1.3.1	All content structures and relationships (e.g. headings, lists, paragraphs, block-quotes, form control etc.) are equally present in the HTML mark-up.	Perceivable <b>92%</b> [93% 81%]
WCAG 2.0 1.3.2	The content sequence on pages in the HTML mark-up matches the visual order on screen independent of any CSS styling.	Perceivable <b>90%</b> [90% 78%]
WCAG 2.0 1.3.3	Information should not be provided through sensory characteristics only (e.g. position, size or shape).	Perceivable <b>95%</b> [87% 78%]
WCAG 2.0 1.4.1	Colour or colour coding is not solely relied on to convey information particularly for error messaging, mandatory field indicators, graphs and charts	Perceivable <b>90%</b> [87% 79%]

<b>Standard</b>	<b>Standards with Very High Compliance (90% or more) Continued ...</b> [-] 2014 & 2013 Compliance Levels	<b>Type and Compliance Level</b>
WCAG 2.0 1.4.2	If audio content on a page plays automatically for more than 3 seconds, a way to pause or stop the audio is provided.	Perceivable <b>97%</b> [94% 84%]
WCAG 2.0 1.4.5	Images on pages are not used to present text (although text in logos is permitted).	Perceivable <b>92%</b> [82% 79%]
WCAG 2.0 2.1.2	When using a keyboard, you don't get trapped inside a form or other page element (i.e. every form on pages can be tabbed into, through and out of).	Operable <b>93%</b> [90% 79%]
WCAG 2.0 2.2.1	If a time limit is set on any site activity, the limit can be disabled or extended.	Operable <b>95%</b> [93% 84%]
WCAG 2.0 2.3.1	If content or an item on a page flashes, it doesn't flash for more than 3 times in one second.	Operable <b>98%</b> [96% 87%]
WCAG 2.0 2.4.2	Every page has a unique title (i.e. <title> HTML element) identifying its relevant content.	Operable <b>97%</b> [93% 89%]
WCAG 2.0 2.4.5	On the site, more than one way of accessing content (e.g. search function, navigation menu or site map) is provided	Operable <b>98%</b> [97% 90%]
WCAG 2.0 2.4.6	On pages, blocks of related content have appropriate headings and the labels for forms and other controls are meaningful.	Operable <b>93%</b> [87% 81%]
WCAG 2.0 3.2.1	On pages, when each element receives focus there is no change of context (i.e. the focus, viewport and page remains unchanged).	Understandable <b>95%</b> [85% 81%]
WCAG 2.0 3.2.2	On input forms within pages, when a form element receives focus there is no change of context (excluding appropriate drop-down lists)	Understandable <b>95%</b> [94% 86%]
WCAG 2.0 3.2.3	Among pages, navigation, and the order of navigational elements is consistent and consistently labelled across the site.	Understandable <b>95%</b> [94% 91%]
WCAG 2.0 3.2.4	Among pages, the functional components (e.g. the search submit buttons) are consistently labelled across the site.	Understandable <b>97%</b> [97% 86%]

Standards found to be highly compliant are detailed in the table below.

<b>Standard</b>	<b>Standards with High Compliance (between 80% and below 90%)</b> [-] <u>2014</u> & 2013 Compliance Levels	<b>Type and Compliance Level</b>
WCAG 2.0 2.2.2	All blinking, scrolling and automatic content updates on pages has facilities to pause, stop or hide movement.	Operable <b>82%</b> [83% 70%]
WCAG 2.0 2.4.3	The Tab order of elements receiving focus on a page matches the left-to-right and top-to-bottom layout of the page content.	Operable <b>88%</b> [87% 78%]
WCAG 2.0 2.4.4	On pages, links have appropriate link text provided clearly identifying the purpose of the link.	Operable <b>88%</b> [90% 71%]
WCAG 2.0 3.1.1	Pages mainly in English have their html LANG attribute as "en-NZ" and if mainly in Māori the attribute is "mi".	Understandable <b>87%</b> [82% 67%]
WCAG 2.0 3.3.1	When submitting input forms on pages, when an error occurs, a textual error message describing the specific error is provided.	Understandable <b>80%</b> [85% 70%]
WCAG 2.0 3.3.2	On pages, form fields and controls are accompanied by clear and descriptive labels and/or instructions.	Understandable <b>87%</b> [90% 86%]
WCAG 2.0 4.1.2	Interactive controls have appropriate HTML elements (e.g. <a>, <button>, <label>, <input> etc.) so that the name, role, state and value of a component is available to a browser or adaptive technology.	Robust <b>83%</b> [79% 62%]

Moderately compliant standards are described in the table below.

<b>Standard</b>	<b>Standards with Moderate Compliance (between 60% and below 80%)</b> [-] <u>2014</u> & 2013 Compliance Levels	<b>Type and Compliance Level</b>
WCAG 2.0 1.1.1	For all non-text information, appropriate accessible text equivalents (e.g. suitable Alt text on site images) are provided.	Perceivable <b>70%</b> [68% 62%]
WCAG 2.0 1.2	For any audio and/or video content, appropriate alternatives (e.g. text, transcript, captions, or audio description) are provided.	Perceivable <b>75%</b> [72% 62%]
WCAG 2.0 1.4.4	Text enlargement using text resize or text zoom does not obscure or prevent other page content or functionality.	Perceivable <b>67%</b> [66% 63%]
WCAG 2.0 2.1.1	Site navigation and page functionality (e.g. use of forms such as for searching) can be operated purely using a keyboard.	Operable <b>73%</b> [73% 70%]

Standard	Standards with Moderate Compliance (between 60% and below 80%) Continued ... [-] 2014 & 2013 Compliance Levels	Type and Compliance Level
WCAG 2.0 3.1.2	If a page has a section of content in other than the page's main language, the section has an appropriate html LANG attribute.	Understandable <b>70%</b> [63% 67%]
WCAG 2.0 3.3.3	When submitting input forms on pages, when an error occurs, suggestions on how to correct the error are provided.	Understandable <b>72%</b> [75% 54%]
WCAG 2.0 3.3.4	When submitting input forms on pages, the user is provided with the opportunity to review and/or correct their information prior to submission or abandon form submission.	Understandable <b>80%</b> [79% 70%]

The table below identifies the standards which were found to have low or relatively low compliance among respondent Councils.

Standard	Standards with Low Compliance (below 60%) [-] 2014 & 2013 Compliance Levels	Type and Compliance Level
WCAG 2.0 1.4.3	Colour contrast on pages meets minimum WCAG 2.0 standards (e.g. ration 4.5:1 using <a href="http://www.checkmycolours.com">www.checkmycolours.com</a> ).	Perceivable <b>53%</b> [54% 38%]
WCAG 2.0 2.4.1	Site users, particularly keyboard-only users, have a facility to bypass blocks of content that are repeated on every page.	Operable <b>55%</b> [55% 43%]
WCAG 2.0 2.4.7	On pages, when each element receives focus there is a clear visual indication of this regardless of a page's visual design.	Operable <b>58%</b> [65% 62%]
WCAG 2.0 4.1.1	HTML elements on each page have validity and consistency in terms of start and end tags, nesting, non duplicate attributes, and unique ID attributes.	Robust <b>53%</b> [49% 41%]

As reported early, WCAG 2.0 2.4.7 is a new entrant into this table compared to 2014. Why this is the case is unclear. It could be due to recent more elaborate page designs on Council websites failing to meet this standard. The "didn't test" rates for all of standards in the table above were higher than the average for the standards in the survey (which was 3%). The "didn't test" rates for WCAG 2.0 1.4.3, 2.4.1, 2.4.7 and 4.1.1 were 10%, 10%, 5% and 5% respectively. This partially accounts for the relatively low compliance found for these standards.

## Self-Assessed Website Functionality and Online Services

This year a total of 66 Councils or 85% or all Councils responded to ALGIM's self-assessment Snapshot Survey. This was down from around 95% in 2014.

Six of the survey questions were selected as pertinent to the Web Audit. These comprised of: **Questions 18 and 20** which together enquired about what online payment mechanisms were available; **Questions 21 and 22** which together elicited what could be paid for online at the website; **Question 23** which examined what website functionality was available; and **Question 28** which identified what social media and networking channels are utilised by the Council. The responses to these questions are summarised in the table below. Where possible, the response summaries for equivalent questions in the 2014 and 2013 Snapshot Survey are provided for comparison.

The table below suggests that over the last two years there has been an improving uptake of online payment mechanisms among Councils in general. Now more than 75% of councils responding to the Snapshot Survey now have some such mechanism even if not strictly via their website, such as internet banking. In addition, the results for Questions 21 and 22 identify that there has been strong growth among responding Councils in what can be paid for online. For instance, rates payments can now be made online at 77% of responding Councils compared to a little over a half two years ago.

Snapshot Survey Question	Question and Response Options	2015 Survey: %age of Respondents	%ages from the 2014	%ages from the 2013
<b>18 &amp; 20</b>	Available online payment mechanisms: - Credit Card - Debit Card - Direct Debit - Internet Banking - Poli - None	<b>68%</b> <b>23%</b> <b>47%</b> <b>76%</b> <b>9%</b> <b>23%</b>	62% 15% n/a 62% 8% 36%	47% 13% n/a 26% n/a 61%
<b>21 &amp; 22</b>	What can be paid for online at the website: - Dog Registrations - Fines of various types - Invoices of various types - Rates - Property file requests - Water Rates - Building and/or Resource Consents - Events and Venue Bookings - Pool & Swimming Lesson Bookings - Licences of various types - LIMS	<b>55%</b> <b>48%</b> <b>48%</b> <b>77%</b> <b>23%</b> <b>33%</b> <b>27%</b> <b>18%</b> <b>9%</b> <b>17%</b> <b>33%</b>	31% 27% 27% 64% 14% n/a n/a 8% 7% 9% 23%	25% 24% 17% 56% 11% n/a n/a n/a n/a n/a n/a

Snapshot Survey Question	Question and Response Options Continued ...	2015 Survey: %age of Respondents	%ages from the 2014	%ages from the 2013
<b>23</b>	Available Website Functionality: - Interactive /Integrated Mapping Tools - Online Application Forms for Email return - Online Application Forms for submission to Backend DBs - Online Consultation (e.g. Discussion Forums) - Customer Feedback / Online Engagement - Online Submissions - Online Transactional Services	<b>88%</b>  <b>77%</b>  <b>64%</b>  <b>26%</b>  <b>85%</b>  <b>88%</b>  <b>56%</b>	82%  80%  55%  18%  78%  80%  54%	81%  60%  22%  24%  69%  71%  35%
<b>28</b>	Social Media and Networking Channels used by the Council: - Facebook - YouTube - Twitter - LinkedIn - Flickr - Google+ - Instagram - None	<b>95%</b> <b>73%</b> <b>67%</b> <b>47%</b> <b>17%</b> <b>11%</b> <b>11%</b> <b>3%</b>	86% 61% 58% 32% 11% 11% 5% 11%	82% 50% 57% 22% 10% 6% 0% 13%

Question 23 identifies seven varieties of potential website functionality and the number of responding Council websites offering six of these has moderately increased in the last year. The functionality showing a slight decline is the provision of online application forms for later submission via email. However, this decline is possibly due the marginally small number of Councils undertaking the Snapshot survey rather than a reduction in Council sites providing this functionality in general. This particular functionality is still present on more than three quarters of sites of responding Councils.

In keeping with previous years, Facebook remains the most commonly used social media channel among responding Councils. The number of responding Councils not using any form of social media has dropped noticeably over the last year and now sits at 3%.

Scores for the provision of the functionality and online services identified in the table above were derived in the following manner:

- **Questions 18 and 20:** Councils received a mark of one for each of the five payment mechanism if it was available on their website and zero otherwise.

- **Questions 21 and 22:** Councils received a mark of one for each of the items in these questions if it could be paid for online up to a maximum of eight. This meant that, if any eight of the eleven items identified in these questions could be paid online at a particular Council's website, then the Council was allocated eight marks for online payments.
- **Question 23** regarding website functionality: Each of the seven online services identified were given a mark of one if available and zero otherwise. This meant a maximum mark of seven was available for this question.
- **Question 28:** Councils received a mark of one for each of the social media or networking channels they used up to a maximum of five. If a Council used no social media, they were allocated a mark of zero for this question.

The marks received by each Council for each of the four question groups were tallied to give a mark out of twenty-five which was converted to a percentage score to provide a component score for website ranking purposes. This score assessed the functionality and online services provided by each Council participating in the Snapshot Survey.

Functionality and Online Services Score Statistics	2015 Survey Score Statistics	2014 Survey Statistics
Lower Quartile of Scores	44%	50%
Mean Score	56%	64%
Upper Quartile of Scores	72%	82%

The above table presents the statistics for the functionality and online service scores in 2015 along with those of 2014. This year, less Snapshot survey questions were utilised to calculate the Functionality and Online Service score compared to 2014. Also, the marking scheme for the remaining questions has been strengthened this year to reflect the greater levels functionality and online services increasingly prevalent among Council websites. These alterations account for the general decrease in scores for this component among responding Councils reflected in the table above.

## Accessibility Audit

The Accessibility Audit involved applying the SortSite testing tool to the website of each Council to ascertain its conformance to all of the 60 WCAG 2.0 standards. The tool was set to test website accessibility to a WCAG 2.0 conformance level AAA and the test was applied to the home page and one level of internal (off page) links.

The output of the SortSite tool identified a list of standards that were compromised at least once for each Council website and a summary tallying the standards infractions found across all Council websites. Each infraction could compromise between one and four of the 60 standards. Total number of infractions across all sites was more than five and a half thousand.

The summary of infractions was analysed to produce the table below which identifies the each of the WCAG 2.0 standards which accounted for 5% or greater of the observed infractions.

<b>Standard</b>	<b>Standards with Very High Infraction Levels on Council Websites</b>	<b>Type and Infraction %age</b>
WCAG 2.0 1.1.1	For all non-text information, appropriate accessible text equivalents (e.g. suitable Alt text on site images) are provided.	Perceivable <b>7%</b>
WCAG 2.0 1.3.1	All content structures and relationships (e.g. headings, lists, paragraphs, block-quotes, form control etc.) are equally present in the HTML mark-up.	Perceivable <b>10%</b>
WCAG 2.0 1.4.4	Text enlargement using text resize or text zoom does not obscure or prevent other page content or functionality.	Perceivable <b>5%</b>
WCAG 2.0 2.4.4	On pages, links have appropriate link text provided clearly identifying the purpose of the link.	Operable <b>7%</b>
WCAG 2.0 2.4.6	On pages, blocks of related content have appropriate headings and the labels for forms and other controls are meaningful.	Operable <b>5%</b>
WCAG 2.0 2.4.9	On pages, links have mechanisms to allow the purpose of the link to be identified from the link text alone.	Operable <b>15%</b>
WCAG 2.0 3.1.5	Page content, after removal of proper names and titles, should not require a reading level more advanced than the lower secondary education level.	Understandable <b>6%</b>
WCAG 2.0 3.2.5	Changes of context are initiated only by user request or, if automated, a mechanism is available to turn off such changes.	Understandable <b>6%</b>
WCAG 2.0 4.1.2	Interactive controls have appropriate HTML elements (e.g. <a>, <button>, <label>, <input> etc.) so that the name, role, state and value of a component is available to a browser or adaptive technology.	Robust <b>13%</b>

The standards above exemplify those that were most often compromised across all Council websites. Interestingly, all four of the WCAG 2.0 standards groupings are represented in the table.

Most commonly infringed standards detailed in the table are the operable standard 2.4.9, the robust standard 4.1.2 and the perceivable standard 1.3.1. Compliance with the first of these was not elicited in the Web Standards Self-assessment survey. However, the latter two are in the survey and, somewhat surprisingly, 83% of survey respondents claim their Council's website complies with 4.1.2 and 93% with 1.3.1. Standard 4.1.2 involves conformity to particular HTML grammar rules and 1.3.1 concerns the organisation of page content being matched with the pages HTML markup. Both these standards require a reasonable amount of technical expertise to assess which possibly accounts for the apparent disparity in tool verse Council officer compliance assessment.

Accessibility audit scores were allocated to Councils on the basis of the percentage of the 60 WCAG 2.0 Standards that were found not to be compromised among the pages tested on their website. The score statistics detailed below identify that Council websites on average meet 80%

of the 60 standards. It is also evident that the scores allocated to Councils for this web audit component occur within a tight range. Further score analysis found that the minimum achieved was 70% while the maximum was 88%.

<b>Overall Accessibility Audit Score Statistics</b>	<b>2015 Accessibility Audit Score</b>
Lower Quartile of Scores	<b>77%</b>
Mean Score	<b>80%</b>
Upper Quartile of Scores	<b>82%</b>

### **Enquiry Response Time**

One part of this web audit component assessed the speed of response to a email enquiry sent to the general email address given on a Council website. The table below shows that, although overall response times consistently decreased from 2012 to 2014, response times have worsened for many Councils this year. Now only 57% of Councils are responding within 3 hours and 13% didn't respond at all. It could be argued that the email enquiry this year is slightly more taxing than in previous years but this certainly does not account for completely non-responsive Councils. It is almost as if some Councils have embraced the new social media channels and are ignoring messages sent via older technology.

<b>Email Response Time</b>	<b>2015 Survey – % of Councils</b>	<b>Previous Surveys</b>		
		<b>2014</b>	<b>2013</b>	<b>2012</b>
Responded in less than 1 hour	<b>42%</b>	78%	60%	32%
Responded between 1 - 3 hours	<b>15%</b>	13%	12%	18%
Responded between 3 - 5 hours	<b>9%</b>	1%	5%	0%
Responded between 5 hours - 1 day	<b>8%</b>	5%	5%	22%
Responded between 1 - 2 days	<b>8%</b>	1%	0%	5%
Responded greater than 2 days	<b>5%</b>	1%	6%	6%
No response at all	<b>13%</b>	0%	12%	17%

The second part of response time testing involved recording the speed of response to a Facebook enquiry sent to the Facebook account of each of the 69 of Councils with such accounts. Some of the results are similar to those for this year's email responses, for instance 62% of recipients (or 55% of all Councils) responded within 3 hours. However, there is a high rate of Facebook non-responders compared to email messaging (at least for Council email responses for the last three years).

<b>Facebook Response Time</b>	<b>2015 Survey – % of FB Councils</b>
Responded in less than 1 hour	<b>39%</b>
Responded between 1 - 3 hours	<b>23%</b>
Responded between 3 - 5 hours	<b>3%</b>
Responded between 5 hours - 1 day	<b>4%</b>
Responded between 1 - 2 days	<b>4%</b>
Responded greater than 2 days	<b>4%</b>
No response at all	<b>22%</b>

For both the email and Facebook enquiries, response scores for website ranking purposes were allocated to Councils on the basis of the response time category into which they fell. Councils responding within an hour were given 100%, between 1 and 3 hours 83% (i.e. 5/6), between 3 and 5 hours 66% (i.e. 4/6) and so on. The 12% of Councils (9 in number) who are not on Facebook received zero as their Facebook enquiry score. For each Council the email and Facebook scores were then averaged to obtain an Overall Enquiry Response Score.

<b>Overall Enquiry Response Score Statistics</b>	<b>2015 Enquiry Response Score</b>
Lower Quartile of Scores	<b>42%</b>
Mean Score	<b>63%</b>
Upper Quartile of Scores	<b>92%</b>

## Best Practice Review

To undertake the Best Practice Review, each Council website was examined by ALGIM staff and the chosen content details scrutinised to determine whether the best practice factor or its sub-factors were available. An exception to this was the check of the website homepage for responsive design. To achieve this, the views of the homepage from the screen of a PC running the Internet Explorer browser (Version 11.0.17) and a smart phone (an Apple iPhone 4S running IOS 8.1.3) were compared to ascertain the presence of device specific rendering. The table below identifies the percentage of Council websites who fully provide each of the best practice factor or sub-factors.

<b>Best Practice Review Factor</b>	<b>Description of Factor or Sub-Factor</b> [-] 2014 Review %age if available	<b>% of Councils Fully Complying</b>
<b>New Zealand Govt. Link</b>	Active New Zealand Government Link	<b>87%</b> [81%]
<b>Legal Notices – Copyright</b>	Copyright Statement available on site	<b>82%</b> [86%]
	Copyright Terms of Use available on site	<b>78%</b> [79%]
<b>Legal Notices – Privacy</b>	Adherence to Privacy Act 1993 identified	<b>74%</b> [72%]
	Potential to contact the Council regarding privacy issues identified	<b>78%</b> [76%]
	Any or no use of browser cookies identified	<b>29%</b> [24%]
<b>File Download Information</b>	file size given	<b>71%</b>
<b>Web Page Printability</b>	Navigation and Links removed for printing	<b>77%</b> [71%]
	Both page banners and search box removed for printing	<b>79%</b> [72%]
<b>Enhanced Site Navigation</b>	A-Z of Council services or the Council website available	<b>79%</b>
<b>Online Mapping</b>	Detailed online Property or Service maps provided	<b>77%</b>
<b>Site Support for Consents</b>	Building or Resource Consent Applications available in two forms (e.g. PDF and Word or PDF and an online submission mechanism)	<b>22%</b>
<b>Site Facilitation of Online Payments</b>	Site facilitation of online Rates Payments via credit or debit card	<b>65%</b>

	Site facilitation for the paying online via credit or debit card of two or more non-rates bills (e.g. water rates, permit fees, dog registration or parking fines)	<b>41%</b>
<b>Use of Mobile Responsive Design</b>	Website Homepage is designed to be the device specific	<b>54%</b>

The availability of a copyright statement was more stringently scrutinised this year in that a clear statement that the Council owned the copyright of material on the site was required to obtain full compliance. This possibly accounts for the slight decrease in full compliance of this sub-factor among Councils evident in the above table. Also, in 2014 file size and file format were examined in the file download information factor whereas this year just the former was considered so no equivalent compliance level is available for 2014 for this factor.

The table above identifies that the poorest compliance occurred with factors or sub-factors of using responsive design to build the Council websites; identifying whether or not cookies were used on Council websites; providing multiple forms or formats of consent applications, and supplying website payment facilities for two or more non-rates bills. The next paragraph describes that many Councils only partially rather than fully achieved the last two of these. Although to date only a little over half of Council websites utilise responsive design in their construction, results from the 2015 Snapshot survey reveal that some 21% of the 66 Councils responding to the survey plan to revamp their website using responsive design in the next 12 months. It can be seen from the above table that the remaining poorly complied with sub-factor of describing cookie use or none use while still low at 29% is an improvement over 2014 compliance.

For web audit ranking, an overall mark for best practice for each Council was calculated by assigning a maximum mark of one for conformity to each sub-factor (or factor if there were no sub-factors) in the table above and summing the marks. Half marks were also given for some sub-factors which were partially attained. Instances of this were Council sites not having a formal Copyright Statement but having the copyright symbol and Council name on each webpage (10% of Councils), removing only some of the navigation or link elements off webpages when printing (5% of Councils); and removing either banners or a search box but not both off webpages when printing (10% of Councils). Additional instances included websites where the site A-Z itemised only the site pages rather than services or content (17% or Councils); building or resource consent applications being only available in one form, typically PDF (78% or Councils); and online payment services only being available for one kind of non-rates bill rather than two or more (41% or councils).

The overall mark out of a maximum of 15 was converted to a percentage to produce a best practice score for each Council. The table below gives the statistics among Councils for this score and shows that most Councils had lower scores for this web audit component this year than they did in 2014. This was predominantly due to the expansion of the Best Practice Review this year particularly regarding the inclusion of the new factors of consent support, online payments and responsive design. Even with these generally lower best practice scores, an inspection of scores identified that two Councils achieved 100% of the best practice factors and sub-factors this year.

<b>Best Practice Review Score Statistics</b>	<b>2015 Best Practice Review Score</b>	<b>2014 Best Practice Review Score</b>
Lower Quartile of Scores	<b>57%</b>	69%
Mean Best Practice Review Score	<b>71%</b>	80%
Upper Quartile of Scores	<b>87%</b>	92%

## Council Website Rankings

Compared to 2014, website ranking scores received by Councils have been strongly impacted by the changes to this year's weighting of assessment components, particularly the reduction of the contribution from self-assessment based surveys to only 30% of the overall score. This, coupled with more stringent scoring regimes for many functionality and online service questions and the addition of a new enquiry response mechanism and some relatively infrequently observed new best practice factors, has lowered overall scores. This is detailed in the table below.

<b>Overall Ranking Score Statistics</b>	<b>2015 Web Audit Ranking Scores</b>	<b>2014 Web Audit Ranking Scores</b>
Lower Quartile of Ranking Scores	<b>58%</b>	69%
Mean Ranking Score	<b>67%</b>	74%
Upper Quartile of Ranking Scores	<b>78%</b>	93%

The likely consequence of the reduction in overall scores is that the rankings of individual Council websites may have changed somewhat from 2014.

The size of the council, measured by population served, seems to have some influence on the overall ranking score achieved among city and district councils. The scores for medium and large sized city and district councils (i.e. serving more than 40 thousand people) averaged 75% whereas city and district councils serving less than 10 thousand people only averaged 54%.

## Summary

Councils participating in the Web Standards survey component of this audit complied with an average of 84% of the standards measured which was slight improvement from last year. Compliance levels have risen marginally and relatively consistently across all four types of standards although robustness standards still have fairly low compliance at an average of 68%.

Individual standards whose compliance has noticeably improved include the two perceivable standards of making sure that size, shape or colour are not the only means of conveying certain webpage information (WCAG 2.0 1.3.3) and not burying textual information within images on webpages (WCAG 2.0 1.4.5). Compliance has also moderate increased for the understandable standards of appropriately marking the language of separate sections on multilingual webpages (WCAG 2.0 3.1.2) and keeping the page context constant when page elements change focus (WCAG 2.0 3.2.1). The only individual standard whose compliance decreased somewhat was the operable standard of visibly highlighting focus changes among page elements (WCAG 2.0 2.4.7)

The Website Functionality and Online Services component of the web audit involved an examination of specific 2015 Snapshot survey results. This examination revealed that three quarters of Councils responding to the Snapshot survey now provide at least one mechanism to enable online payments and more than two-thirds support online credit card payments. The diversity and prevalence of items that can be paid for online has also increased strongly with over three-quarters of responding Councils now offering online facilities for rates payments and around half allowing online payments for dog registrations, fines and various kinds of invoices.

The functionality available on Council websites assessed by the web audit has, in general, slightly improved since last year and nearly all Councils are now have a presence on one or more forms of social media with Facebook being the most popular.

This year the Accessibility Audit involved the Blind Foundation running the automated tool SortSite across the upper pages of each Council website to detect infractions to all 60 WCAG 2.0 standards. Council website were, on average, found to comply with 80% of the standards which is comparable with mean compliance level calculated in this year's Web Standard survey which considers only 34 of the 60 standards. The most commonly compromised WCAG 2.0 standards among Council websites in general are page links having their purpose imbedded in the link text itself (WCAG 2.0 2.4.9) and the webpage content structures and their organisation (WCAG 2.0 1.3.1) and the interactive controls on a page (WCAG 2.0 4.1.2) being properly marked up in the page's HTML. Conversely, the latter two standards were self-assessed as very highly and highly complied with respectively on websites of Councils responding to the Web Standards survey.

This apparent discrepancy could possibly be resolved by a handful of sites having a multitude infractions to the above two standards which would distort the applicability of infraction statistics to overall Council websites for these particular standards. However, the fallibility of some of the self-assessors when dealing with reasonably technical standards which require a knowledge of HTML is a more likely reason for the variation in findings. If this is the case then this implies that it is desirable that future appraisals of technical standards should be undertaken by automated means rather than self-assessment by Council Officers.

The self-assessed Web Standards component of the web audit has been somewhat superseded by the revamped Accessibility Audit. However, the former component remained in the web audit, at least for this year, as, unlike the current Accessibility Audit, it allows both an analysis of standards compliance trends across several years and a summarising of standards compliance within individual Council websites to be performed.

The analysis of email enquiry response times from Councils revealed that response times have worsened since last year with more than 10% of Councils failing to respond at all. Similar Facebook enquiries found that more than 20% of Councils on Facebook did not respond. However, the majority of Councils are still reasonably receptive to digital enquiries with 57% of Councils responding to an email enquiry within 3 hours. The corresponding percentage for Councils on Facebook responding to a Facebook enquiry was 62%.

With the exception of Copyright Statement sub-factors which were more critically evaluated in 2015, all the factors which were evaluated in both the 2015 and 2014 Best Practice Reviews show slightly increased adoption rates across Council websites for this year. The expansion of the Best Practice Review this year especially with the addition of the new factors of consent support, online payments and responsive design has generally lowered Council scores for this component. This has made the Best Practice Review a larger and more discriminatory assessment vehicle with greater scope to identify future improvements in Council websites.