

**Document No:** 373707**File No:** 037/043**Report To: Council****Meeting Date:** 28 October 2015**Subject: Motion to Exclude the Public for the Consideration of Council Business**

### Purpose of Report

- 1.1 The purpose of this business paper is to enable the Council to consider whether or not the public should be excluded from the consideration of Council business.

### Commentary

- 2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives Council the right by resolution to exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the grounds contained within that Section.

### Suggested Resolutions

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 Council agree the following staff, having relevant knowledge, remain in attendance to assist Council with its decision making: ...
- 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. Contractual Issues                           | 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.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE  
**EXECUTIVE ASSISTANT**

Confidential Confidential

Confidential Confidential

Please Note: Pages 2 - 91 are confidential  
and therefore are not included in this  
Public Version

Confidential

**Document No:** 373410**File No:** 037/043**Report To: Council****Meeting Date:** 28 October 2015**Subject: Resolution to Re-Open Meeting to the Public**

### **Purpose of Report**

- 1.1 The purpose of this business paper is for Council to pass a formal resolution to re-open the meeting to the Public following the consideration of public excluded business.

### **Commentary**

- 2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives Council the right by resolution to exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the grounds contained within that Section.
- 2.2 In circumstances where, following the consideration of public excluded business, there is further business on the Agenda to be dealt with in the public forum, Council must pass a formal resolution re-opening the meeting to the public.

### **Suggested Resolution**

The meeting be re-opened to the public for the consideration of that part of the Agenda which is not public excluded business.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE  
**EXECUTIVE ASSISTANT**

**Document No:** 376899**File No:** 400/180A**Report To: Council****Meeting Date:** 28 October 2015**Subject:** Deputation – Hamilton and Waikato Tourism Limited: Annual Report and Waitomo District Council 2014/2015 Activity Report**Purpose of Report**

- 1.1 The purpose of this business paper is to advise Council that Kiri Goulter, Chief Executive of Hamilton and Waikato Tourism (HWT) will be in attendance at 10.30am to present the HWT Annual Report Executive Summary 2014-2015 and Waitomo District Council 2014-2015 Activity Report.
- 1.2 Attached to and forming part of this business paper is the HWT Reports to Council.

**Suggested Resolutions**

- 1 The Deputation from Hamilton and Waikato Tourism Limited be received.

A handwritten signature in blue ink, appearing to read "H. Beever".

HELEN BEEVER  
**GROUP MANAGER – CUSTOMER SERVICES**

October 2015

Attachment: 1 Hamilton and Waikato Tourism Reports (doc 376910)

### HAMILTON & WAIKATO TOURISM ANNUAL REPORT 2014-15

#### August 2015

Hamilton & Waikato Tourism and the region's tourism sector has had a positive and productive year. For the year ending June, the region once again experienced solid growth with total guest nights up 4.3%, international guest nights up 9.3% and domestic guest nights up 2.3%. International visitor expenditure remained strong and continues to be driven by the region's international icons, Hobbiton and Waitomo.

HWT continued to work in close partnership with the region's tourism operators who this year contributed \$415,000 of cash investment and over \$70,000 of in-kind support towards HWT's marketing and promotional activities. This resulted in a combined investment with the region's seven local authorities of over \$1.25m. In terms of industry funding per dollar of council investment, HWT remains at the forefront when compared to other New Zealand Regional Tourism Organisations.

#### Key Performance Indicators

HWT and the sector have performed well against the KPIs as per the Schedule of Services 2014-15;

1. *Grow market share of commercial guest nights to 3.55% (Commercial Accommodation Monitor Stats NZ)*  
Result: 3.5%
2. *Grow total delegate days to 11% market share (Convention Activity Survey MBIE)*  
Result: 8%
3. *To at least maintain share of domestic visitor expenditure (Regional Tourism Indicators MBIE)*  
Result: index increase of 4 points, 13 points below NZ (average)
4. *To at least maintain share international visitor expenditure (Regional Tourism Indicators MBIE)*  
Result: index increase of 21 points, 25 points above NZ (average)
5. *30% increase in visits to hamiltonwaikato.com*  
Result: 63% increase
6. *\$300,000 industry investment*  
Result: 415,000 plus \$70,730 in-kind support

#### Key highlights for the year include;

- Investment of \$485,000 in HWT's activities from the region's tourism industry
- Development of a 10 year Visitor Strategy for the region aiming to grow the sector
- Additional investment of \$405,000 secured for 2015-16 onwards from partner councils
- Hosting 137 international and 14 domestic media outlets
- Hosting over 346 international travel trade
- Explore Central North Island collective hosted TRENZ (NZ's largest trade event) in Rotorua with over 300 international buyers attending
- Supporting two major events, Cricket World Cup 2015 and FIFA U20 World Cup 2015
- Full redevelopment of hamiltonwaikato.com

#### Visitor Strategy 2015-25

An important focus for 2014/15 has been the development of a ten year Visitor Strategy for the region's tourism industry. The strategy aims to grow visitor expenditure from \$1b to \$1.35b by 2025 through an increased investment in destination marketing and the expansion of HWT's activities to include a focus on destination management.

To enable the strategy to be implemented, HWT sought an increase in funding from our local government partners through their respective Long Term Plans. This was successfully achieved with all councils



agreeing to increase their partnership investment. This is an excellent outcome for the region's tourism sector, its future growth and contribution to the regional economy.

### **International Marketing**

The New Zealand tourism sector has experienced strong growth with visitation, guest nights and expenditure from both international and domestic visitors. For the year end June 2015, international arrivals reached 2.99 million, a 7% increase on the previous year. All markets saw increases with the largest growth from China (30%), followed by India (26%), Korea (14%) Japan (12%) and USA (10%). International arrivals are forecast to grow by 4% per annum to reach 3.8m by 2021. Australia remains New Zealand's largest market at 1.4m visitors, up 4% on 2014.

Tourism New Zealand's global marketing campaign, 100% PURE Middle-earth continued with the release of the final Hobbit movie in December 2014. A new and refreshed campaign was released in May 15 and focuses on New Zealand's 'closeness' and that everything is within easy reach, allowing every day to become a different journey.

HWT once again participated in a \$1.6m "Tour the North" campaign in Australia in conjunction with other upper North Island regions and Tourism New Zealand. This is HWT's third year of participation and continues to be a cost-effective way of targeting Australian visitors as our largest international market.

HWT continued its partnership with the Explore Central North Island (ECNI) collective of eight regions. This year ECNI jointly hosted NZ's largest trade show TRENZ in Rotorua in May. The event was a tremendous success with over 300 international buyers in attendance and exhibitors reporting a positive and buoyant business environment.

### **Domestic Marketing**

HWT continued its domestic campaign activity throughout the year. This included two Explore Your Own Backyard campaigns and two Short Escapes campaigns focused on walking and cycling, and key events happening in the city and region. At the start of the year the region hosted both the Cricket World Cup 2015 and FIFA U20 World Cup 2015. HWT was heavily involved in supporting these tournaments alongside Hamilton City Council. Both events were very successful attracting many visitors and generating a significant amount of domestic and international media coverage for the region.

### **Convention Bureau**

The region ended the year with 8% of market share of total delegate days, 4<sup>th</sup> behind Auckland, Wellington with Christchurch moving into third place. In February there was a change to MBIE's Convention Activity Survey methodology which saw the region's market share of total delegate days decrease due to the removal of trade and exhibition data that is focused on the public events (eg AMP Shows). There has also been a slight softening in multi-day conferences with a shift towards smaller meetings and seminars.

During the year the Convention Bureau experienced some changes in personnel. With the new manager on board in November, the focus of activity has been on hosting famils (Australia, national and local), client hosting, enquiries and proposals and exhibiting at various trade shows. Towards the end of the year there has been a noticeable increase in interest in the region in terms of enquiries and proposals submitted. The Convention Bureau had 61 partner operators, up 10% on the previous year.

### **Digital**

Hamiltonwaikato.com has undergone a full redevelopment. The site has a refreshed design and is built in an open source platform with a new content management system (CMS) enabling improved management in-house. The first phase of the new site was launched in July with ongoing improvements to continue. Website traffic has continued to increase, up 63% on previous year. Social media sites continue to perform well with Facebook "followers" for year end June at 23,500. Hamiltonwaikato.com was the central portal for both the Cricket and FIFA World Cup events.

### **Stakeholder Partnerships**

This year HWT has had a significant level of engagement with our seven local government partners with the development of the Visitor Strategy and request for additional funding through the respective Long Term Plans. In addition, a positive relationship has been formed with the Waikato Regional Council.

## Conclusion

New Zealand's tourism sector has experienced strong visitor growth over the year which is expected to continue, it is also predicted to surpass the dairy sector as NZ's largest export earner. Hamilton & Waikato has benefited from this, with steady growth in international and domestic guest nights and international expenditure.

After four years of operation, HWT is extremely pleased to have secured extra funding for its activities to enable the region and sector to close the gap and step up to the next level. This reflects the respect HWT has as a high performing organisation as well as the recognition of the role the visitor economy plays in supporting the economic wellbeing of the city and region's communities.

Over the coming year we will look to increase our investment in domestic markets and widen our scope into destination management to strengthen the visitor proposition by identifying opportunities for new and enhanced tourism offerings.

Finally, HWT is extremely appreciative of the strengthened support from our partner councils, and the commitment and investment from the tourism sector. We look forward to continuing our collaborative partnerships and a progressive and exciting year ahead.

Yours sincerely



Kiri Goulter  
Chief Executive

# **Waitomo District Council District Activities Report**

**1 Jul 2014 – 30 Jun 2015**

Hamilton & Waikato Tourism  
Jul 2015

## International Arrivals 2.99m +7.4%



Aus 1,427,184 3.8%



China 313,376 30.3%



USA 233,344 10.2%



UK 198,080 1.9%



Japan 84,432 11.8%



Germany 81,088 7%



Korea 60,608 14.2%



Canada 50,512 4.3%



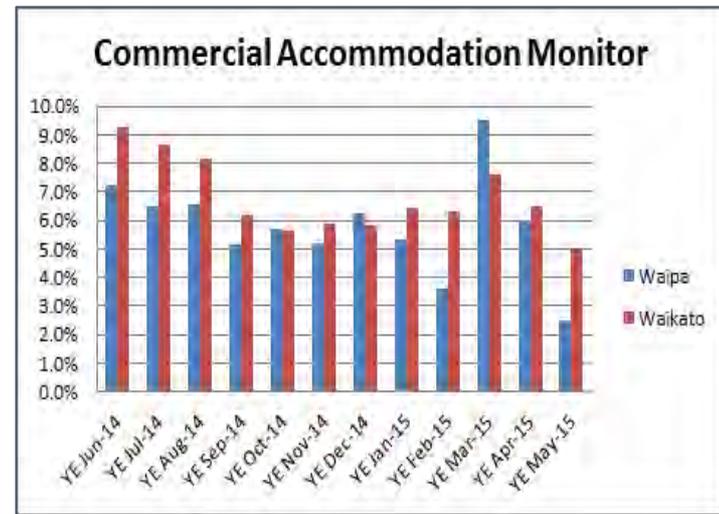
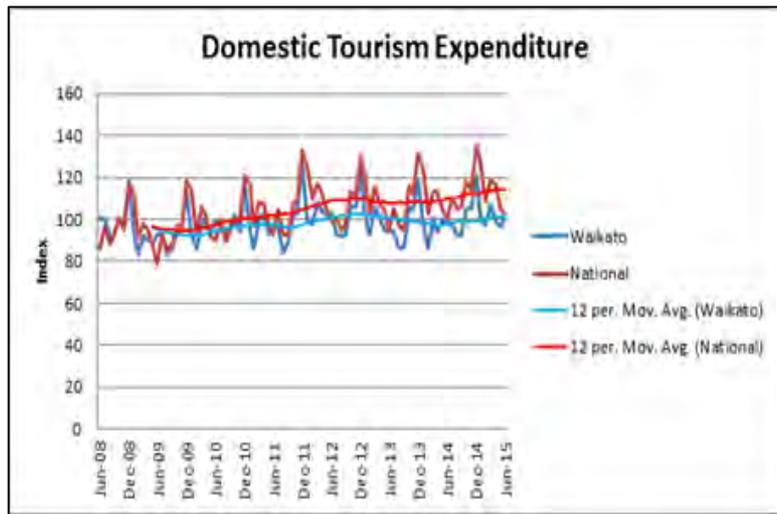
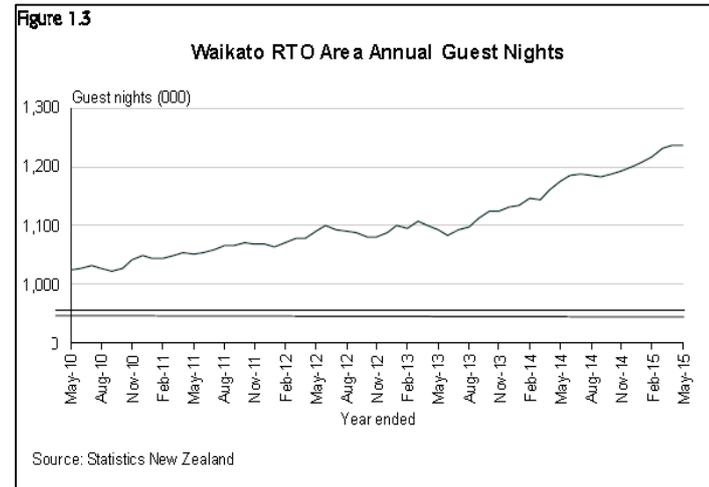
Singapore 47,280 5.8%



India 42,672 25.9%

International Visitor Arrivals (Year Ending June 2015, Stats NZ)

# Visitor Statistics – H&W Region 7



Regional Tourism Indicators MBIE June 15  
 Commercial Accommodation Monitor Stats NZ May 15

# Domestic Marketing

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## Short Escapes Oct - Nov 14

### Campaign Objectives

- To promote the region's outdoor activity offerings, with a slight skew towards cycling.

### Channels

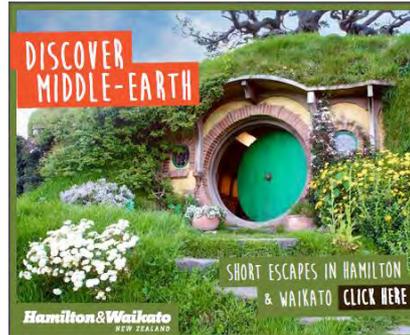
- Online – display, adwords, social media

### Campaign Results

- Total Advertisement impressions: 2.9 million
- Total landing page views: 12, 943

### Profiled:

THL (Waitomo Glowworm Caves & Legendary Black Water Rafting Co)  
 Waitomo Adventures  
 Timber Trail  
 Walking Trails



The screenshot shows the Hamilton & Waikato website with several promotional banners and deal cards. Key elements include:

- Short Escapes in Hamilton & Waikato:** A large banner at the top with a scenic view of a lake and buildings.
- Deal Cards:**
  - FREE:** 40% off 1 night stay at 100+ hotels.
  - SAVE:** \$24 per night.
  - 20% OFF:** 2 for 1 price.
  - By the Beach:** 20% off 1 night stay at 100+ hotels.
  - Things To Do:** 20% off 1 night stay at 100+ hotels.
- Things to see and do:** A section with images of outdoor activities and a list of recommendations.
- Comfort & Relaxation:** A section with images of hotels and a list of recommendations.
- Flying to Hamilton:** A section with an image of an airplane and a list of flight deals.
- Top Events:** A section with an image of a night event and a list of recommendations.
- Hot Deals:** A section with several small deal cards, including:
  - 50% Hotel credit at Motel118 Hamilton:** 50% off 1 night stay at 100+ hotels.
  - 20% off 1 night stay at 100+ hotels:** 20% off 1 night stay at 100+ hotels.
  - Relax on the Beach:** 20% off 1 night stay at 100+ hotels.
  - Free Hamilton Gardens 15th Anniversary:** Free admission to Hamilton Gardens.
  - Experience more at this 2-night package:** 20% off 2 night stay at 100+ hotels.
  - 50 Desserts at 100+:** 50% off 1 night stay at 100+ hotels.
  - Relax on the Beach:** 20% off 1 night stay at 100+ hotels.



# Domestic Marketing

## Hobbit Campaign – Dec 14

### Campaign Objectives

- To leverage the final Hobbit film & promote the region as a key 'Middle-earth' location

### Channels

- Online – display, adwords, social media
- Radio – More FM

### Campaign Results

- Total advertisement impressions: 3 million
- Total landing page views: 13,066

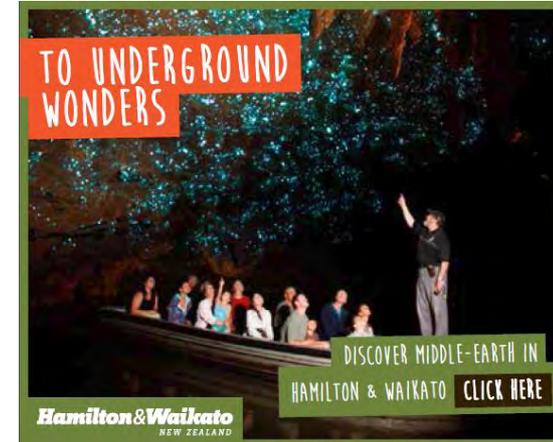
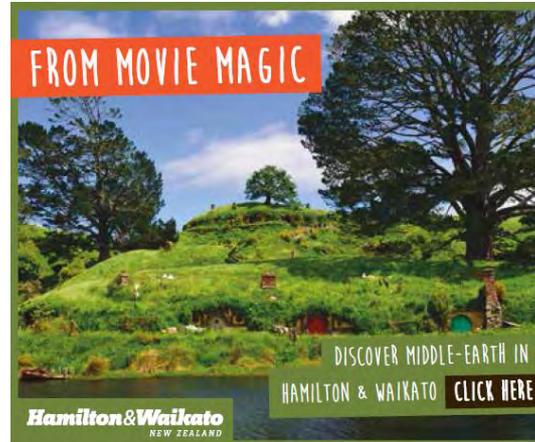
### Profiled:

*THL (Waitomo Glowworm Caves & Legendary Black Water Rafting Co)*

*Waitomo Adventures*

*Walking Trails*

*Hairy Feet Waitomo*





# Domestic Marketing

## Explore Your Own Backyard Summer Campaigns Dec 14 – Jan 15 & Jun – July 15

### Campaign Objectives

- To encourage locals to enjoy the range of great summer and winter activity options in the region

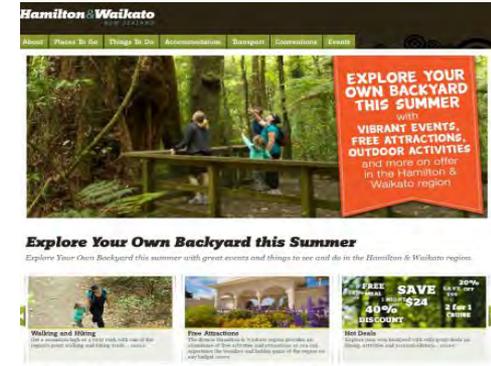
### Channels

- Online - Social Media, GDN, Search

### Campaign Results

- Summer
  - Total advertisement impressions: 1.6 million
  - Total landing page views: 36,484
- Winter
  - Total advertisement impressions: 847,270
  - Total landing page views: 24,077

*Profiled:  
THL (Waitomo Glowworm Caves & Legendary Black Water Rafting Co)  
Waitomo Adventures  
Walks - Natural Bridge & Marokopa Falls  
Timber Trail  
Mangaokewa Reserve*



# Domestic Marketing

## Chinese New Zealanders Campaign

14-15 – throughout the year with extra activity around Chinese New Year

### Campaign Objectives

- To raise the Hamilton & Waikato region's profile among Chinese New Zealanders and promote the region as an attractive 'short break' visitor destination

### Channels

- Print, Online, Weibo (Social Media)

Profiled – operator partners:

THL  
Waitomo Adventures



|  |  |  |   |   |   |
|--|--|--|---|---|---|
| <p><b>Hamilton &amp; Waikato</b></p> <p>羊年春节<br/>缤纷活动，动人景色，尽在汉密尔顿-怀卡托。<br/>更多信息，敬请浏览官方微博或网站。</p> | <p><b>发现Waitomo</b><br/>Discover Waitomo</p> <p>探索壮观神奇的怀托摩萤火虫洞穴，乘坐小船欣赏由无数萤火虫营造的梦幻璀璨的银河奇景。<br/>买一送一！购买一张成人全价票，第一人即可免费游览怀托摩萤火虫洞（条件限制）。<br/>www.waitomo.com/china</p> | <p><b>汉密尔顿花园</b><br/>Hamilton Gardens</p> <p>在“2014年度全球最佳花园”中漫步。<br/>在汉密尔顿花园信息中心，可免费领取儿童游览指南（Children's Discovery Trail），www.hamiltongardens.co.nz</p> | <p><b>汉密尔顿天空城</b><br/>SKYCITY Hamilton</p> <p>在店内顶级餐厅大饱口福。<br/>优惠信息：<br/>Silk餐厅推出传统中式宴会菜单，是新春聚会的地佳选择。<br/>www.skycityhamilton.co.nz</p> | <p><b>霍比特电影布景之旅</b><br/>Hobbiton Movie Set</p> <p>参加充满欢乐色彩的霍比特电影中布景之旅。<br/>优惠信息：<br/>在绿龙酒馆购买一份Beef &amp; Ale Pie，可获赠一杯蓝山马奶的South Island Craft Coffee。优惠码：Brave &amp; True deal（条件限制）。<br/>www.hobbitontours.com</p> | <p><b>诺福特伊莱恩豪华酒店</b><br/>Novotel Tainui Hamilton</p> <p>尊享于汉密尔顿市中心之顶级优质服务。<br/>优惠信息：<br/>随父母同行，16岁以下儿童可免费住宿，并享房费优惠（条件限制）。<br/>www.acorhotels.com/2159</p> |
|--|--|--|---|---|---|

旅游局官网：www.hamiltonwaikato.com 请在新浪微博关注@新西兰汉密尔顿-怀卡托旅游局

悠然假期 喜迎羊年

尽在 **汉密尔顿 & 怀卡托**

查看以下夏季缤纷盛事、顶级住宿及推荐活动，轻松计划您的下一次旅行。了解更多活动、住宿、行程推荐及优惠信息，敬请浏览我们的中文网页：  
www.tansuoxinlan.co.nz/hamiltonwaikato.htm

|  |  |
|--|--|
| <p><b>缤纷盛事</b></p> <ul style="list-style-type: none"> <li>汉密尔顿花园艺术节 2月13-26日<br/>精彩纷呈的汉密尔顿花园将献上50多种精彩纷呈的艺术展览、表演秀、展览活动等。</li> <li>2015年100辆世界杯 南非 vs 津巴布韦 2月15日<br/>印度 vs 爱尔兰 3月10日<br/>孟加拉国 vs 新西兰 3月13日</li> <li>Kenny Rogers 2月15日</li> <li>Slash World On Fire Tour 2月17日</li> <li>Eddie Izzard 2月18日</li> <li>金球健身博览会 2月21-22日</li> <li>Brian Perry Classic 高尔夫锦标赛 2月27日。作为新西兰最精彩的高尔夫赛事和业余选手最高水平锦标赛之一，每年都在汉密尔顿怀卡托地区举办。</li> <li>SOL3 M10 演唱会 2月27日</li> <li>新西兰房车及拖挂式房车展 2月27日-3月1日</li> <li>REV 自行车节 2月28日</li> <li>怀卡托热气球节 3月25-29日<br/>热气球节期间将举办众多活动，包括清晨万热气球升空的壮观及如梦如幻的夜晚 Nightglow 秀、传统篝火及烟火秀，以及万个热气球同时喷射火焰、烟花表演、晚餐秀为壮观。</li> <li>新西兰的羊年 4月11日<br/>按照新西兰人的传统，每年年底伊莱恩 (Te Kuiti) 都会举办新西兰羊年节 (Great New Zealand Muster)，并庆祝其成为非官方的世界羊毛之都。</li> <li>埃奇·马丁 演唱会 4月19日</li> </ul> | <p><b>顶级住宿</b></p> <p>诺福特伊莱恩豪华酒店 (Novotel Tainui Hamilton)<br/>提供一流客房服务及设施，包括设施齐全的会议室、餐厅、酒吧、桑拿、健身中心等。酒店内设有室内游泳池、桑拿浴、按摩池、网球场、网球场、网球场。</p> <p>埃莱恩酒店 (Elsie Hotel)<br/>提供一流客房服务及设施，包括设施齐全的会议室、餐厅、酒吧、桑拿、健身中心等。酒店内设有室内游泳池、桑拿浴、按摩池、网球场、网球场、网球场。</p> <p>苏迪玛酒店 (Sudima Hotel Hamilton)<br/>提供一流客房服务及设施，包括设施齐全的会议室、餐厅、酒吧、桑拿、健身中心等。酒店内设有室内游泳池、桑拿浴、按摩池、网球场、网球场、网球场。</p> |
|--|--|

推荐行程

- 发现怀托摩 (Discover Waitomo)
- 莫罗罗山温泉 (The Aroha Mineral Spas)
- 汉密尔顿花园
- Zealand Tea Estate
- 汉密尔顿天空城 (SKYCITY Hamilton)
- 怀托摩探险 (Waitomo Adventures)
- 霍比特电影布景之旅 (Hobbiton Movie Set)

Hamilton & Waikato TOURISM



# Major Events – Media Leverage & Hosting

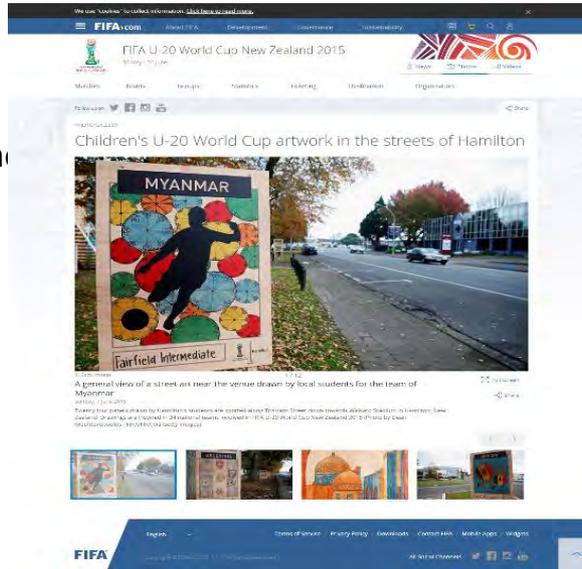
## Major Events

- Cricket World Cup 2015, Feb-Mar
- FIFA U-20 World Cup 2015, May-June 15

HWT worked closely with Tourism NZ, Council and the local organising committees pre and during the tournaments in terms of:

- Visitor information
  - Website portals
  - Collateral
  - Campaign inclusion
- Media leverage
  - Pitching stories
  - Hosting ie Hobbiton Cricket Cup
  - Media Centre
- Team engagement
  - Invitations to visit local attractions

39 ICC CWC Accredited India media visited the Waitomo Glowworm Caves on a organised famil



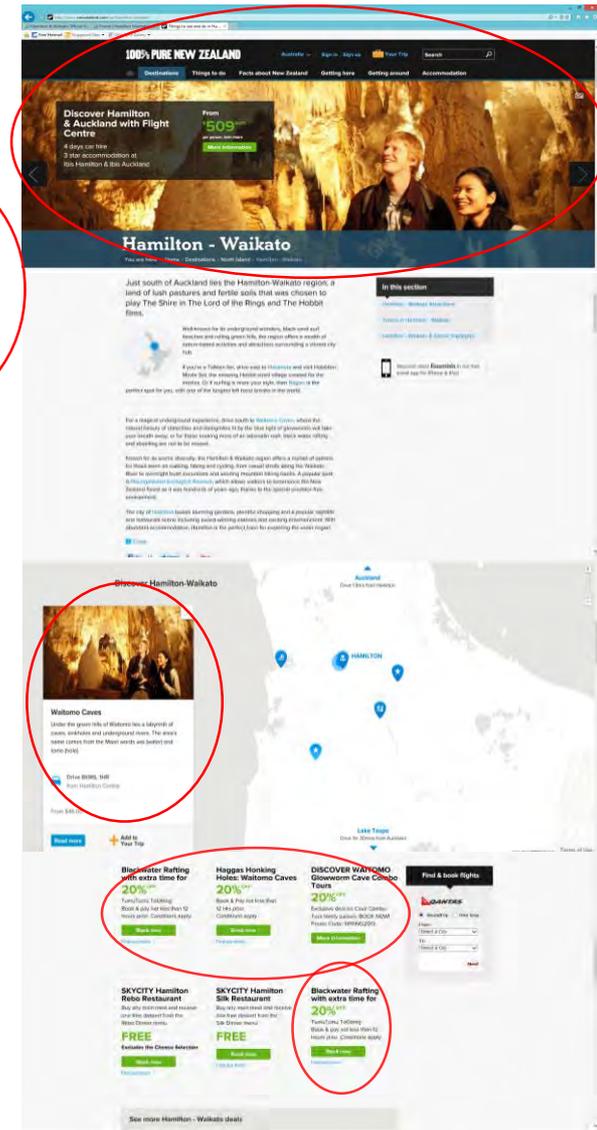
# Activities - Australia

Tour the NI Campaign  
Sept-Oct 13

JV campaign between Tourism NZ, Northland, Auckland, Hamilton & Waikato, Rotorua, Taupo, BOP, Coromandel

- \$1.6m campaign
- Audience: Eastern seaboard of Australia
- Trade partners Qantas & Flight Centre
- Online (over 116k clicks to newzealand.com)
- TVC
- Print – lift out (1,000,000 circ)
- Outdoor
- Media / PR (radio)

Profiled:  
Discover Waitomo (THL)  
Waitomo Adventures



Working with this influential travel distribution channel to educate and raise awareness about the internationally trade-ready products on offer in the region

## Families:

- Sudima Staff, Asia sales, 1pax
- Singapore Product Managers, 7pax
- STA – Kiwi Experience, 13pax
- Aussie Mega Famil, Fern – 30pax
- Aussie Mega Famil, Sweet As – 21pax
- Aussie Mega Famil, Hobbiton – 13pax
- TNZ Marcomms Manager, Singapore 1pax
- China Southern Product Managers, 10pax
- SEA Mega Famil, 8pax
- East North China Air NZ FIT, 5pax
- 100% Pure NZ Specialist, 12pax
- Post TRENZ buyers famil, 7pax
- Post TRENZ Hallmark Travel, 2pax
- North America Mega – Rua, 12pax
- China Mega – Ono, 15pax
- China Mega – Rima, 13pax

## Communications

Waitomo District products featured in

- Trade Product Update Document – used at trade shows & sales calls
- Trade website
- Newsletters (examples later on)



# Travel Trade

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## Events attended and H&W products profiled at:

- TRENZ – largest NZ event for travel trade (250+ international buyers)
- Aussie Insights – event for Australasian travel wholesalers
- Inbound Tour Operators & RTOs event
- Sales calls to Inbound Tour Operators and wholesalers
- Auckland i-SITE training

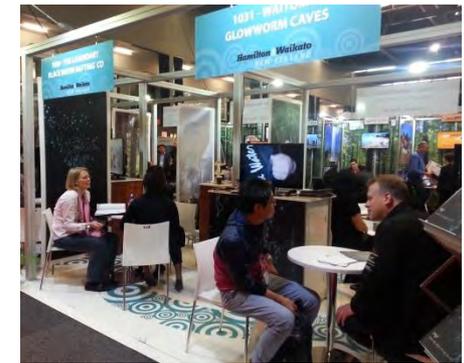
## Tourism Export Council NZ Conference

25-27 August 2014

HWT put in a regional bid to host TECNZ 2014 Conference and won the bid.

Over 200 key travel trade industry representatives attended the conference.

*Waitomo experiences profiled through trade activity - internationally trade-ready product: Discover Waitomo, The Legendary Black Water Rafting Co., Kiwipaka Waitomo, Roselands Restaurant, Caveworld, Waitomo Adventures, Pa Harakeke*



# Travel Trade

## Explore Central North Island (ECNI)

- Collective of 8 Central North Island RTOs
- Travel trade focus
- Coordinator employed

## Activities:

- Host region for TRENZ 2015
- Explore CNI Trade Manual
- Explore Expo – event for RTOs and tourism operators to promote themselves to travel trade buyers and inbound tour operators
- Newsletters
- Website
- Wholesaler brochures
- KiwiLink Events – India, China
- Mega Famil Training Days
  - Australia, Oct 14
  - South and South East Asia, Mar 15
  - India, Mar 15
  - North America, May 15
  - China, Jun 15







# Convention Bureau Activities <sup>21</sup>

## Overview

Appointment of Lynn Briggs as Convention Bureau Manager, Nov 14

## CB Partnerships

- 61 partners

## Assistance & Enquiries

- 100 enquiries

## Database

- 2,089 buyers and prospects (30 Jun 15)

## International Conference Bids

- TNZ Conference Assistance Programme (CAP) - 7 bids / 1 win / 1 loss / 5 pending (30 Jun 15)

## Industry Engagement

- Attended 3 x NZ Convention Bureaux meetings
- Attended CINZ Conference
- Held 2 x CB Partner Updates



# Convention Bureau – Famil Activities

## Famils

Hosted 39 famils, 149 companies and 179 buyers  
(Year prior: 106 companies and 144 buyers hosted)

## National Buyers Mega Famil

- Annual event, hosted 17 buyers
- From Wellington, Auckland and Dunedin
- Corporates, associations, government, professional conference organisers and media
- Spent 2.5 days in wider region

## Waikato Buyers Mega Famil

- Annual event, hosted 28 buyers
- Local business event organiser from the Waikato
- Corporates, associations, government and professional conference organisers
- Spent five days in wider region
  - *Waitomo inclusions were Discover Waitomo (THL) and Waitomo Adventures*

## Pre-MEETINGS Australian group famil

- Hosted six buyers
- Spent three days in the wider region
  - *Waitomo inclusion was Discover Waitomo (THL)*

## ‘May Day’ Famils introduced

- Hosted seven buyers



**The Waikato Way**

Collaboration was the key message from Hamilton Waikato Tourism on its annual mega famil recently.

Over 10 corporate visiting pleasure boat operators, along with other local business owners, gathered in the scenic city for a three-day experience of the region's top attractions and tourism offerings.

Local business event organiser from the Waikato, Hamilton Waikato Tourism, has been instrumental in the success of the event, which has been a great success for the region.

Hamilton Waikato Tourism is proud to have been instrumental in the success of the event, which has been a great success for the region.

Hamilton Waikato Tourism is proud to have been instrumental in the success of the event, which has been a great success for the region.

**YEARS EXPERIENCE 11**

NUMBER OF MEETING SPACES 21

NUMBER OF STAFF 500\*

EVENTS DELIVERED 6,750\*

SKYCITY

**HAMILTON & WAIKATO**  
New Zealand

For organisers of business events, and visitors to the region, Hamilton & Waikato offers a range of services and facilities to ensure your event is a success.

Hamilton & Waikato offers a range of services and facilities to ensure your event is a success.



# Famil Activities – Convention Bureau

Famils that visited the Waitomo District

| No.           | Company/Group                      | Date of Famil | No of Co. | No. of Buyers | Days in wider region |
|---------------|------------------------------------|---------------|-----------|---------------|----------------------|
| 1             | NZ Institute of Quantity Surveyors | 14-Aug-14     | 1         | 1             | 3                    |
| 2             | Kentera Events                     | 24-Nov-14     | 1         | 1             | 2                    |
| 3             | Cheryl - Synergy Events            | 1-Mar-15      | 1         | 2             | 3                    |
| 4             | Mega famil - National Buyers       | 1-Mar-15      | 17        | 16            | 3                    |
| 5             | TNZ Japan MEETINGS famil - North   | 12-Jun-15     | 2         | 4             | 2                    |
| 6             | TNZ India MEETINGS famil           | 10-Jun-15     | 9         | 9             | 1                    |
| 7             | May Days famil 2                   | 1-May-15      | 7         | 11            | 1                    |
| 8             | Pre-MEETINGS AU famil              | 1-Jun-15      | 6         | 6             | 3                    |
| <b>TOTALS</b> |                                    |               | <b>44</b> | <b>50</b>     | <b>18</b>            |



# Convention Bureau - Publications 24

## 2014-2015 Convention Planner

- 1,000 copies printed
- Distributed via mail out and at tradeshows, sales calls and famils

*Profiled in Planner: Discover Waitomo and Waitomo Adventures*

## Other Domestic and International Publications/Online Features & Editorial

- Purchase and Supply Directory
- Meeting Newz
- Convention & Incentives NZ
- CIM (Aus)
- Business Events News (Aus)
- Micenet (Aus)
- University of Waikato Staff News

**HAMILTON & WAIKATO**  
New Zealand

...for business events that are **unforgettable**

Award-winning venues. Easily accessible. A variety of accommodation options. World-renowned activities. Quality support services...  
Our regional team will help you deliver an event that your team will love!

Hamilton & Waikato Convention Bureau  
+64 7 843 1333 | bureau@hamiltonwaikato.com  
www.hamiltonwaikato.com/conventions

**Hamilton & Waikato**  
NEW ZEALAND

**HAMILTON & WAIKATO**  
New Zealand

CONVENTION PLANNER 2014/15

HamiltonWaikato

...the best business events are held **at home**

Hamilton & Waikato Convention Bureau  
Discover our award-winning venues and services. Meet our regional team who will help you deliver an event that your team will love.

Hamilton & Waikato  
NEW ZEALAND

**MEETINGS** THE NEWS

**Strong contender's popularity grows**

The Hamilton and Waikato region continues to grow in popularity as a business events destination, with a busy calendar of events well underway for 2015.

Discover Waitomo  
Discover Waitomo has introduced more area events and corporate packages showcasing the natural beauty and food and beverage experiences of the region. Located in the heart of the region, it offers a range of services and facilities, and performance and cultural experience opportunities. The package includes complimentary, customisable, depending upon client needs and general professional and administrative services for the conference or meeting.

Quest  
The managers of Quest in 2014 have also taken over Quest Hamilton and Quest Waikato to manage both Hamilton and Waikato.

Suzanne Hamilton  
Michael Egan has joined the Summit Management team as hotel manager for Summit Hamilton. His previous experience includes leading senior management positions with Accor Hotels, Accor Hotels, Accor Hotels and the George at Christchurch. His first project in 2014 was the opening of the new Accor Hotels in Hamilton. He is currently working on the opening of the new Accor Hotels in Waikato and is expected to open in the next few months.

**Hamilton & Waikato venues impress**

This year is shaping up to be another busy one for the region's major conference and event centres. Clarendon...

**meeting newz**  
THE CONFERENCE, INCENTIVE & EXHIBITION MAGAZINE

**What's trending?**  
By Melissa Moore

After the industry's broad recovery in 2014, meeting planners around the world are indicating they're back in business for 2015.

As the industry's broad recovery in 2014, meeting planners around the world are indicating they're back in business for 2015. The industry is expected to see a continued recovery in 2015, with a focus on high-quality, high-value events. Meeting planners are expected to see a continued recovery in 2015, with a focus on high-quality, high-value events. Meeting planners are expected to see a continued recovery in 2015, with a focus on high-quality, high-value events.

**Hamilton & Waikato venues impress**

This year is shaping up to be another busy one for the region's major conference and event centres. Clarendon...

**HAMILTON POPULARITY GROWS**

The Hamilton & Waikato region continues to grow in popularity as a business events destination, with an exciting calendar of events well underway for 2015.

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# Convention Bureau – Sales Calls & Events <sup>25</sup>

## Tradeshows attended

- AIME, Australia Feb 15
- Convene, Apr 15
- MEETINGS, Jun 15

## Sales Training

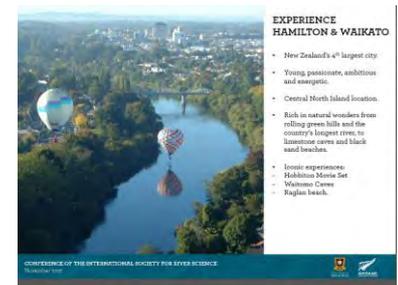
- Domestic - Auckland & Waikato
- International - Australia & Asia

## Hosted Events & Sales

- Presentation to 70 PAs - Auckland & Waikato
- Sales calls and group updates in Auckland & Waikato
- Joint events at Wintec and University of Waikato

## 'Miss Muddy' Event

- Secured event for the Waikato
- Est 5,000 attendees



# Online

## Website – hamiltonwaikato.com

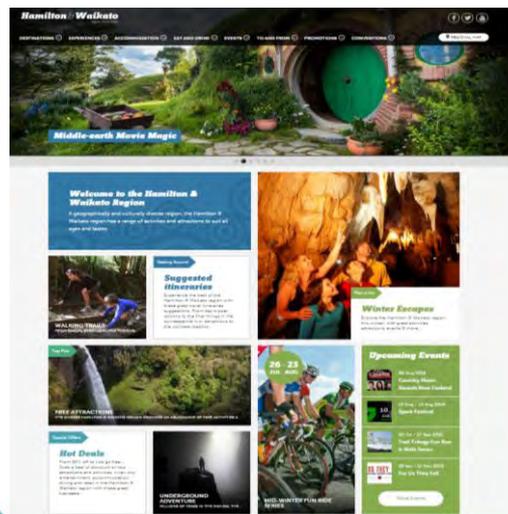
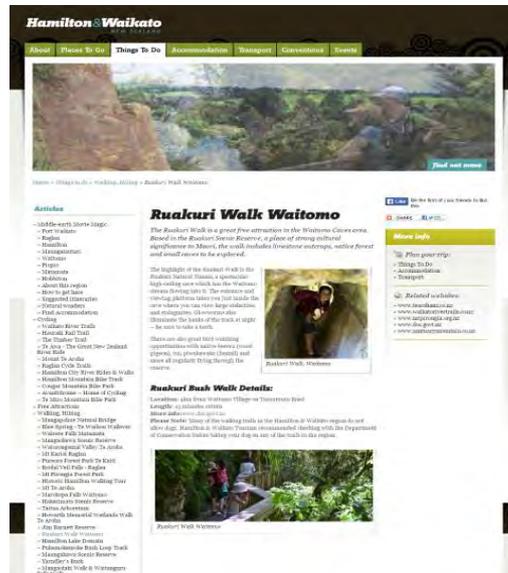
Waitomo related content views estimate: up 25% (excludes operator listing views)

New content added/ increased coverage:

- Marokopa Falls Walk
- Ruakuri Walk
- Kawhia
- Mangaokewa Scenic Reserve Te Kuiti
- Pureora Forest Park
- Mangaotaki Walk & Waitanguru Falls Walk
- Piripiri Cave Walk

Full hamiltonwaikato.com website re-development project

- Launched Jul 15



# Online

## E-Newsletters

- Domestic NZ e-newsletter
  - Local residents version
  - Rest of NZ version
  - Total database of over 15,000
- Trade
- Media
- Industry
- Waitomo events and activities profiled in the various editions including:
  - THL
  - Waitomo Adventures
  - Waitomo Caves Sports Day
  - Hairy Feet
  - Waitomo
  - Roselands
  - Waitomo
  - Timber Trail

### Top Activities & Attractions [Back to Top](#)



#### The Middle-earth Trilogy

Tour Middle-earth with the Middle-earth Trilogy - combining some of the best attractions that the North Island of New Zealand has to offer.

This package includes a tour of the magical Hobbiton Movie Set, the picturesque setting for the Shire that featured in the Sir Peter Jackson directed films, *The Lord of the Rings* and *The Hobbit*; a visit to Te Puia in Rotorua for a delicious indigenous meal, Maori culture and impressive geysers, as well as heading into the underground world of Waitomo with a visit to the world famous Waitomo Glowworm Caves featuring a gentle boat ride under a galaxy of glowworms.

Hamilton City is the perfect central location to base yourself while taking advantage of the Middle-earth Trilogy experiences. Both Hobbiton Movie Set and the Waitomo Caves are within an hour's drive and Te Puia is 1 1/2 hours' drive from Hamilton City.

Plus, you can supercharge your trilogy package with The Legendary Black Water Rafting Company's Black Labyrinth black water rafting trip. [Read more](#)



#### The Timber Trail

The Timber Trail follows historic tramways through the ancient native forest of the Pureora Forest Park. It stretches for 85km between Pureora village and the old logging town of Ongarue, offering riders a backcountry adventure through an area with an abundance of birdlife. The trail takes in 42 bridges, including eight suspension bridges, as it winds its way through giant rimu, totara and kahikatea trees. The longest suspension bridge on the trail is the 141-metre-long Maramataha Bridge, which crosses the Maramataha River near the site of a historic viaduct... [Read more](#)

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Winter 2015 [Forward Us Email](#) [Refer a Friend](#)

Hi Natalie,

Welcome to our Winter 2015 Newsletter - Spotlight on Cycling

With summer crowds dispersing and cheaper winter rates, it's an easy and affordable time of the year to travel to New Zealand. And as featured on *Galavoy*, the myriad of cycling trails and experiences in the Hamilton & Waikato region are accessible all year round, providing the perfect excuse to pop over for a mid-year escape.

Check out our newsletter below for some inspiration on your next trip, including:

- **Cycling adventures** - Ride three of the NZ Great Rides right here in the Hamilton & Waikato region, each offering a unique and varied experience.
- **Off-trail attractions** - From culture and heritage to epic adventures, Middle-earth movie magic, foodie finds and much more, there are plenty of great activities to enjoy off the trail as well.
- **Hot deals** - check out some of the fantastic deals available including accommodation and top activities and attractions.

Hope to see you soon!

The team at Hamilton & Waikato Tourism



#### Waitomo Glowworm Caves Celebrates 125 Years of Guiding

The natural, outstanding and beautiful Waitomo Glowworm Caves is celebrating a very special landmark in September 2014 - 125 years of guiding. To mark this very grand milestone, the partnership of Ruapaha Uekaha Hapu Trust, Tourism Holdings Ltd (thl) and the Department of Conservation hosted the Limestone, People & Time event - a series of commemorative events including art exhibitions, walking tours, a grand ball and more... [Read more](#)



#### Epic Adventures

Absel 100m into the darkness of the Lost World Cave, zipline through underground passageways, or don an inner tube and go black water rafting under galaxies of twinkling glowworms for an underground adventure unlike any other. Above ground a hot air balloon ride or a thrilling jetboat trip mean there are epic adventures to suit all tastes just waiting to be discovered... [Read more](#)

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Spring 2014 [Forward Us Email](#) [Refer a Friend](#)

Hi Natalie,

Welcome to our Spring 2014 Newsletter

Spring has arrived and summer is fast approaching, making it the perfect time to start planning your next New Zealand getaway. Whether you are returning to continue exploring NZ, or planning your first trip over the ditch, we aim to provide you with some inspiration for your next break with great activities, attractions and events in the Hamilton & Waikato region, as well as the North Island.

Included in this newsletter is:

- **Discover the North Island** - fantasy becomes reality in the North Island of NZ. Discover the hidden gems from an underground adventure to Middle-earth movie magic, thermal wonderlands, beautiful beaches, and much more.
- **FIFA 14 on World Cup and ICC Cricket World Cup 2014 Events** - from the upcoming FIFA U-20 & Cricket World Cup to equine events, classic cars and multiport races, an event is the perfect excuse to plan your next trip.
- **Hot deals** - check out some of the great deals available from flights and motels to accommodation and attractions.
- **A Local's Guide to...** - they say there is no better way to experience a place than through the eyes of a local - check out the latest in our Local's Guide video series which takes a look at the best food producers and various visible attractions on offer in the region.

Hope to see you soon!

The team at Hamilton & Waikato Tourism

#### Discover the North Island of New Zealand [Back to Top](#)



#### Every Day a Different Journey

The Hamilton & Waikato region has partnered up with Auckland, Bay of Islands, The Coromandel, Rotorua, Bay of Plenty, Great Lake & Taupo and Tourism New Zealand to bring you the Discover the North Island campaign.

With great [travel deals](#) on offer including holiday packages, accommodation, rental cars hire, and activities, it's easy to discover the hidden gems just waiting to be explored in the North Island.

Every day is a different journey in the North Island of New Zealand, from Auckland, a city by the sea, with adventure activities, city contrasts and the view and string at your fingertips to a world of hidden treasures in Rotorua, Lake Taupo and Hamilton & Waikato. Kayak around the burning Great Lake Taupo, relax in the geothermal wonders of Rotorua, head underground into the magical Waitomo Caves or explore the real Middle-earth at Hobbiton Movie Set. The Coromandel & Bay of Plenty areas on the East Coast provide stunning beachside escapes, while the Bay of Islands is a subtropical region on its own. [Read more](#)



#### An Underground Wonderland

From magical glowworm grottos to black water rafting adventures, discover the ancient underground caves in Waitomo.

Millions of years in the making, the world-famous Waitomo Caves provides a playground unlike any other. A magical hot tubs accessible walking cave tour, including the Waitomo Glowworm Caves, reveals the subterranean world in all its wonder, while those seeking adventure will find plenty of adrenaline-buzzing options including black water rafting, abseiling, ziplining and climbing through the cave systems. [Read more](#)

#### Fantasy Becomes Reality

Step into the real Middle-earth at Hobbiton Movie Set, as seen in *The Lord of the Rings* and *The Hobbit* films.

Visitors to Hobbiton Movie Set today can imagine Hobbiton going about their everyday business, as the set was rebuilt in 2011 for the filming of the story that started it all. The model, and remains as a permanent set today. Other filming locations in the Hamilton & Waikato region include Te Anau in all its wonder, while those seeking adventure will find plenty of adrenaline-buzzing options including black water rafting, abseiling, ziplining and climbing through the cave systems. [Read more](#)

# Online

## Facebook

Over 23,000 Facebook fans which is increasing on a daily basis

**Hamilton & Waikato Tourism**  
July 7 · 🌐

"We glide through inky blackness under swirling constellations of the glow-worm's blue-green lights, sometimes just centimetres above our heads" – A great article about exploring the Waitomo Caves from nzherald.co.nz



**Waitomo: Why go? Because it rocks! - Travel - NZ Herald News**  
A visit to Waitomo has long been on our family's holiday to do list, something we'd...

NZHERALD.CO.NZ

**Hamilton & Waikato Tourism**  
March 19 at 8:00pm · Edited (?) · 🌐

Foggy autumn sunrise overlooking the Manganaki Valley, Piopio  
Photo Credit: Peter Denize – Hairy Feet Waitomo



**Hamilton & Waikato Tourism** added 3 new photos.  
August 19 at 8:00pm · 🌐

Quiz Time: Who can tell us where in the Hamilton & Waikato region these three photos were taken?



**Hamilton & Waikato Tourism** added 2 new photos.  
October 1 at 8:00pm · 🌐

Have you explored the Manganekia Scenic Reserve near Te Kuiti? Part of the Te Araroa Trail, the reserve also features scenic picnic and recreational areas, an attractive bush walk to the Cascade Waterfalls and great tramping tracks <http://goo.gl/9f6lpp> #WalkingWednesday



**Hamilton & Waikato Tourism**  
July 23 · 🌐

It's #WalkingWednesday – have you done the Mangopohu Natural Bridge walk in Waitomo? The natural bridge is a 1.7m high limestone arch which is the remains of an ancient cave system <http://goo.gl/ezd8lp>



You added 3 new photos.  
Posted by Regina Blogs (?) · April 22 at 10:00pm · Edited (?) · 🌐

Take a torch and step down into the impressive Pipiripi cave near Waitomo. It's an easy 5 minute walk through native bush and past limestone outcrops to the entrance – Have been to the Pipiripi Cave? <http://goo.gl/p5s1Fp> #WalkingWednesday



**Hamilton & Waikato Tourism**  
August 20 at 8:00pm · Edited · 🌐

Have you explored the historical sites of the Pureora Forest Park? The park boast a range of walking trails, from short walks to multiday hikes – many of which include historical sites such as the buned forest <http://goo.gl/vPKmMl>. #WalkingWednesday



You added 3 new photos.  
Posted by Regina Blogs (?) · May 18 at 10:00pm · 🌐

A tour of the stunning natural landscapes of the Denize Bluffs in the Manganaki Valley, as seen in 'The Hobbit: An Unexpected Journey' is a definite #NZMustDo for all Middle-earth fans – have you visited Hairy Feet Waitomo?



**Hamilton & Waikato Tourism** added 3 new photos.  
December 17 at 6:00pm · Edited (?) · 🌐

Have you done the Ruakuri Walk in Waitomo? With limestone outcrops, native bush, small caves and the Ruakuri Natural Tunnel, which boasts a high-ceiling and impressive stalagmites and stalactites, the 45min return walk is great for all ages <http://goo.gl/9f6lpp> #WalkingWednesday



**Hamilton & Waikato Tourism**  
Posted by Regina Blogs (?) · March 27 · Edited · 🌐

The Waitomo Caves Sports Day is a great family day out on Sat 28th <http://goo.gl/9f6lpp>

👍 Tag Photo 📍 Add Location 🗑 Edit

Like Comment Share

👤 Don Quixote and 7 others liked this.

🗨 Write a comment




# Online

## Twitter

Hamilton & Waikato retweeted  
**NZ Herald Travel** @NZHtravel · Jul 21  
 Danielle Wright spends a rainy day in the company of some #Waikato #llamas: [tinyurl.com/lgkopo8](http://tinyurl.com/lgkopo8)



View more photos and videos

Hamilton & Waikato @HamiltonWaikato · Nov 27  
 #HamiltonWaikato RT @BooHsu\_: Beautiful walk along forest canopy and through winding caves #ruakuribushwalk #waitomo



View more photos and videos

Hamilton & Waikato retweeted  
**Roselands Waitomo** @RoselandsR · May 7  
 Happy Mothers Day to all the mothers out there! Treat mum to a free lunch on us!



Mum's dine free when accompanied by one full paying adult or 2 children over 5yrs \$30 per adult, \$15per child. Under 5's free for Buffet only. Offer Valid 9th & 10th May 2015 between 11am-2pm. BBQ+Buffet Lunch only.

Hamilton & Waikato @HamiltonWaikato · Apr 7  
 #HamiltonWaikato #Waitomo RT @RoselandsR: Beautiful misty Autumn morning



View more photos and videos

Hamilton & Waikato retweeted  
**Cricket World Cup** @cricketworldcup · Jul 30  
 Check out the Tourist XI to find out what you can do in @HamiltonWaikato during #cwc15 [bit.ly/1qMvqf](http://bit.ly/1qMvqf)



View more photos and videos

Hamilton & Waikato @HamiltonWaikato · Jan 30  
 #HamiltonWaikato #Waitomo RT @NZOnFoot: #Adventures above and underground in #NewZealand [newzealandonfoot.com/of-glowworms-a...](http://newzealandonfoot.com/of-glowworms-a...)



View more photos and videos

Hamilton & Waikato @HamiltonWaikato · 6h  
 Stunning night shot of the Ruakuri Walk in #Waitomo [facebook.com/KamahiCottage/...](http://facebook.com/KamahiCottage/) #HamiltonWaikato #glowworms

Hamilton & Waikato @HamiltonWaikato · Sep 10  
 Black water rafting in #Waitomo RT @travelgen: Adventure Activities to try in #NZ [ow.ly/Bj05V](http://ow.ly/Bj05V) #NewZealand #NZmustDo

Hamilton & Waikato @HamiltonWaikato · Mar 26  
 The Waitomo Caves Sports Day is a great family event on this Sat 28th March #HamiltonWaikato #Waitomo



View more photos and videos

Hamilton & Waikato @HamiltonWaikato · May 21  
 We'd have to agree #HamiltonWaikato

**ExperinceNZ** @ExperienceNewZ  
 #NewZealand is stunning below ground as well! #Waitomo #cave #glowworms #NZmustDO #purenewzealand @shaun\_jeffers



View more photos and videos

Hamilton & Waikato @HamiltonWaikato · Sep 10  
 Black water rafting in #Waitomo RT @travelgen: Adventure Activities to try in #NZ [ow.ly/Bj05V](http://ow.ly/Bj05V) #NewZealand #NZmustDo

Hamilton & Waikato @HamiltonWaikato · Jun 5  
 Time for a break? Check out the @nzherald "Five of the best Winter Escapes" List – featuring the #Waitomo Caves in #HamiltonWaikato

Hamilton & Waikato @HamiltonWaikato · May 18  
 "Dark water rafting through NZ cave offers glowing look at unique environment" [goo.gl/i2vXO](http://goo.gl/i2vXO) via @DailyBreezeNews #HamiltonWaikato

View summary



# Publications

## Hamilton & Waikato NEW ZEALAND'S CYCLING HEARTLAND

**A TRIP TO THE HAMILTON & WAIKATO REGION MEETS COMPLETE HISTORY & A NEW WAY OF ENJOYING IT.**

There are hundreds of kilometres of trails to discover, offering riders a close-up look at the region's picturesque scenery and outstanding sites.

Whether its rolling green farmland hills or mountainous peaks and high ridges and through rolling farmland, the region's trails and trails offer remarkable experiences for riders of all fitness and skill levels.

Laid-back riders and family groups will love the sights of the Hauraki Rail Trail and the scenic journey of the Timber Trail, while the rugged Waikato River Trail offers excitement for avid mountain bikers and families of thrill-seeking riding ability.

There are another option to enjoy too, from mountain biking on Mount Taranaki and in the Mt. St. George Mountain Bike Park, to urban pursuits along Hamilton's vibrant trails. The Area - The Great New Zealand River Ride offers great views, while those wanting a compact off-road experience should visit the Hamilton Mountain Bike Trails.

The region's cycling future is bright, with new trails and facilities being developed all the time. In New Zealand's cycling heartland, one way is never enough.

### GUIDE TO TRAIL GRADES

**GRADE ONE - EASYEST**  
Flat and suitable for all riders. Surface is either firm gravel or asphalt and trails are wide enough for two people to cycle side by side most of the way.

**GRADE TWO - EASY**  
Moderately and mostly flat with some gentle climbs. Surface is either firm gravel or asphalt and trails are wide enough for two people to cycle side by side most of the time.

**GRADE THREE - INTERMEDIATE**  
Can be hilly in nature and may include 10-15% climbs, loose gravel, and small tree coverings.

**GRADE FOUR - CHALLENGE**  
May include steep or narrow track sections where caution is great and observation that an effort is required.

**GRADE FIVE - EXTREME**  
Historically challenging and may include physically demanding climbs, numerous obstacles and narrow trails. Some machinery and other carrying may be required.

**TRAILS**  
Museum Bike Park  
Mt. St. George Trail Great Ride

### CYCLING SAFETY

Safety while cycling for you and other track, trail and road cyclists. Please visit the New Zealand Cycling website for information on both road and trail cycling as well as being a safe cyclist.

[www.nzcycling.com/new-zealand-cycling](http://www.nzcycling.com/new-zealand-cycling)

### MORE INFORMATION

There are many other cycling options also available in the region. For more information about these as well as the detailed trail descriptions visit [www.hamiltonwaikato.com/cycling](http://www.hamiltonwaikato.com/cycling)

## Hamilton & Waikato Great Rides

With three of the New Zealand Cycle Trail's 'Great Rides' situated in the Hamilton & Waikato region, be sure to explore your own backyard by bike this summer.

• Hauraki Rail Trail • Waikato River Trails • The Timber Trail

For more information on Hamilton & Waikato's Great Rides and the many other tracks and trails on offer in the region visit [www.hamiltonwaikato.com/cycling](http://www.hamiltonwaikato.com/cycling)

Hamilton & Waikato

## A JOURNEY THROUGH TIME

Central North Island Museums

Take a step back in time and unearth the history of this culturally rich and diverse area of New Zealand. Discover the history and people of the Waikato, Central Otago and Bay of Plenty as the Museums and Heritage centres open their doors to share their remarkable collections, practices and stories with you.

With stories for visitors based around, underground adventures and a view of Waikato from the area also holds a historical significance for Maori, being the base for the influential Ngapuhi Movement (Maori King Movement), the home of the Maori King at Tairāwhiti and the final resting place of one of the great voyaging canoes named Te Arawa.

Many towns within the region were also sites of battles during the Land Wars between Maori and the British, and the Waikato River (which contained some "drowned men"), has played a key part in many important New Zealand events including being the birth place of the country's first post - the Waikato District.

European settlers and their descendants have also made the area their home, creating a pioneering heritage based on agriculture, mining, power generation and more recently tourism and creative industries.

The public provides a brief overview of the museum that the Museum and Heritage Centre in the Hamilton & Waikato, Central Otago and Bay of Plenty regions offer visitors. Each site offering something a little different from the next, whether it's showcasing the land and so on using heritage, agricultural history, Maori culture, the region's geographical past, or education and display from a variety.

[www.hamiltonwaikato.com/museums](http://www.hamiltonwaikato.com/museums)

## TRACKS & TRAILS

### TE ANA - THE GREAT NEW ZEALAND RIVER RIDE

This scenic river river ride is under construction between Ngāruawa and Te Anau. After weeks of the Mighty River Dunstan at Lake Karapiro. This route follows through rural and urban landscapes, taking in waterfalls and historic Maori sites as well as strong rivers, camps and estuaries.

The section through Hamilton City, Horowhenua and between the Hauraki, Cambridge and the Waikato are complete and ready to ride now while the remaining sections are due for completion by 2016. The route is primarily wide, smooth and largely flat making it a great choice for cyclists of all fitness and experience levels.

Once complete, Te Ana will link with the Waikato River Trails near Rotarua, providing cyclists with 170km of trails to enjoy.

### THE TIMBER TRAIL

The Timber Trail follows historic pathways through the ancient native forest of the Waikato Forest Park, a distance of 350km between Pukerao Village and the old logging town of Otago, offering riders a historically adventurous though an area abundant in benefits.

The trail takes in 40 bridges, including eight suspension bridges as well as a wide lay through gullies, rivers, lakes and subalpine lakes. The route was once home to booming logging industry and much of the trail follows the Ella & Burnard Otago Railway. The railway is the longest built railway in New Zealand and a part of the journey is the Otago Sprint.

The Timber Trail can be cycled in either direction, but north to south is the easier option. The trail can be completed in one to three days (average six days to complete) or the journey can be undertaken at the Pukerao Village end by incorporating the neighbouring Manawatu cycleway into the trip.

### HAMILTON MOUNTAIN BIKE TRAIL

Conveniently located within Hamilton's northern city limits, Hamilton Mountain Bike Trail is a 10km trail for a great ride for riders looking for something close to the city, offering a bit of track into a relatively quiet, certified area.

The layout for this trail is surrounded by native tree plantings. Its easy contour is suitable for beginners and families as well as more advanced riders who will appreciate the track's tight turns and links, solar top strip and the more rugged northern corner.

### HIGHLIGHTS

Ride through ancient native forest, abundant in wildlife  
Follow New Zealand's longest bush tramway and see the marvel of engineering that is the Otago Sprint  
Travel over 42 bridges - eight of them suspension bridges  
Experience a slice of New Zealand's forestry history

**PRIMA TO PHIMPOUSE - 45km GRADE: 3**  
**PHIMPOUSE TO OMBAGS - 45km GRADE: 2**

**ACCESS:** This ride can be accessed at the northern and southern end as well as in the middle at Phipps  
For more information visit: [www.thetimbertrail.com](http://www.thetimbertrail.com)

**HIGHLIGHTS**  
1. The whitewash dunes from central Hamilton  
2. Compact single track full of holes and lumps  
3. Sections suitable for riders of all levels

**LENGTH: 10km GRADE: 3-5**  
**ACCESS:** Main Street, Hamilton  
For more information visit: [www.hamiltonmbt.org.nz](http://www.hamiltonmbt.org.nz)

**HIGHLIGHTS**  
Four views and a mix of rural and urban landscapes  
Wide track suitable for social riding  
Stunning views of Lake Karapiro and a 400m boardwalk around the edge of the lake

**LENGTH: 10km GRADE: 1-2**

**ACCESS:** This ride can be accessed at various points along the trail  
For more information visit: [www.te-ana.org.nz](http://www.te-ana.org.nz)

Fitness Journal, 20,000 copies  
copies

## Exploring the Timber Trail?

While you are here, check out the other great experiences and activities in the Waikato area:

- Further walking and cycling tracks like the Banded Forest walk or the Manawatu cycleway
- Gourmet country fare in Phipps, Battersdale and Whakamarama
- First observation in Ombags
- Maori culture in Papanui
- Underground wonders at Waikato Caves
- Scenic cruises on Lake Waikarema
- And a good dose of classic kiwi hospitality everywhere!

For more details on attractions, experiences and accommodation in the region visit [www.hamiltonwaikato.com](http://www.hamiltonwaikato.com)

Hamilton & Waikato

Regional Cycling e-brochure

NZ Fitness Mag, 8,000 copies

Museum Trail Maps Brochure

## Hamilton & Waikato Great Rides

With three of the New Zealand Cycle Trail's 'Great Rides' situated in the Hamilton & Waikato region, it is the perfect place for your next cycle trip.

- Hauraki Rail Trail
- Waikato River Trails
- The Timber Trail

For more information on Hamilton & Waikato's Great Rides visit [www.hamiltonwaikato.com/cycling](http://www.hamiltonwaikato.com/cycling)

Hamilton & Waikato

AA Cycle Trail Guide, 50,000 copies

# Industry Development

## Events

Waitomo District tourism operators and wider business community members have had the opportunity to participate in the following events:

- HWT Symposium, Nov 14
- Nz.com operator workshop, Nov 14
- Travel Trade Workshop, Mar 15
- TIA Regional Summit, Jul 15

## Industry Communications

- Website
- e-Newsletters



# i-SITE Charter

## Charter Activities

- Marketing activity inclusions including content suggestions, promotional involvement ie promo tiles and social media, HWT website
- Bi-monthly e-newsletter from HWT
- Regional Visitor Guide
- Regional cross-selling event, Jul 14, Nov 14, May 15



Document No: 377397

File No: 037/042A

**Report To: Council****Meeting Date: 28 October 2015**

**Subject: Deputation – Regional Transport  
Committee Speed Management  
Governance Group: Regional Speed  
Management**

### Purpose of Report

- 1.1 The purpose of this business paper is to advise Council that Mr Bill McMaster from the Waikato Regional Council and Mr John Garvitch from the New Zealand Transport Agency will be in attendance at 11.00am to give a presentation on the proposed Regional Speed Management Plan work being undertaken by the Regional Transport Committee Speed Governance Group.
- 1.2 Council is aware of this work as Councillor Brodie is WDC's representative on the Governance Group and has kept Council informed through his monthly verbal reports.
- 1.3 Attached to and forming part of this business paper is a copy of a report from the Regional Transport Committee Speed Management Governance Group together with a copy of the PowerPoint Presentation to be made at the Council meeting.

### Suggested Resolution

The Deputation from the Regional Transport Committee Speed Management Governance Group on the Regional Speed Management be received.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE  
**EXECUTIVE ASSISTANT**

October 2015

- Attachments: 1 Regional Transport Committee Speed Management Governance Group Report
- 2 Regional Transport Committee Speed Management Governance Group PowerPoint Presentation

## Report to Waitomo District Council 28 October 2015

**File No:** 21 20 40  
**Date:** 9 October 2015  
**To:** Chief Executive Officer  
**From:** Regional Transport Committee Speed Management Governance Group  
**Subject:** Regional Speed Management

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### Purpose

Waitomo District Council is being visited as part of a region wide discussion with Councils on speed management. The Waikato Regional Transport Committee, including representation from Waitomo District Council, is supporting the development of a regional speed management plan. The purpose of this report is to introduce the Waitomo District Council as a whole to the proposed Regional Speed Management Plan work, and to seek your feedback on the project.

### Recommendation:

1. That the report **Regional Speed Management** (Doc #3578008 dated 9 October 2015) be received.

### Background

The Waikato Regional Transport Committee (RTC) is committed to improving regional road safety and delivering the safety outcomes outlined in the national Safer Journeys strategy. The Waikato Regional Road Safety Strategy outlines a comprehensive cross-sector programme of work to address the region's priority safety issues and advance towards the regional safety vision of 'working together towards zero deaths and serious injuries on the region's roads'.

The RTC recognises, however, that in order to maintain progress, more attention must be paid to particular system weaknesses which lead to serious deaths and injuries. One area that requires priority attention is speed management, and more specifically, a consistent approach to speed management by all of the agencies responsible for road infrastructure, enforcement, compliance and other aspects of road safety.

Work is happening nationally under the 'Safe Speeds Programme' to develop comprehensive guidance for all agencies tasked with speed management. This is based on international best practice from Sweden, the Netherlands and Australia and if effectively implemented has the potential to substantially reduce the national road toll in coming years. The programme includes the following:

- Changing the conversation on speed;
- Technical speed management guidance;
- A review of the Setting of Speed Limits Rule
- Rebalancing the penalty and enforcement regime.

The RTC recognises that to successfully implement this national guidance and reduce the road toll in the Waikato will require 11 Road Controlling Authorities, NZ Police, Waikato Regional Council, and the other agencies responsible for road safety to agree to work together under one joined-up plan. The Committee has appointed a governance group to oversee this work, comprising elected members from councils (including Cr Phil Brodie, Waitomo District Council), the NZTA, the NZ Police and the Automobile Association. This governance group is taking the lead in the development of a regional speed management plan to ensure that the Waikato is organised and ready to effectively respond to national speed management directives. The Waikato is the first region in the country to take this approach.

### **Why is speed management important?**

Managing speed on the road network to safe levels is crucial to reducing deaths and serious injuries because the result of all crashes is strongly influenced by impact speed. Impact speed is a contributing factor in every road trauma, and approximately 25% of all serious crashes are caused as a direct result of inappropriate speed (either speeds over the limit or speeds that are too fast for the road conditions at the time).

The speed environment across much of the regional network is currently inconsistent and does not provide road users with sufficient information to be able to identify where they are at most risk. Safety protection on some parts of the network is still minimal, whilst in other areas safety provision is to a very high standard, yet there is often no difference in the speed limit or other visual indications to the person using the road.

New Zealand relies heavily on speed enforcement in locations of particular crash risk, but due to a lack of clear understanding of where the risk is this does not always make sense to the travelling public. To date public messaging about speed has not always helped to articulate this. For all of these reasons it is recognised that an improved and joined up approach to speed management is essential if we want to build public understanding and make a difference to the road toll.

### **What would a speed management plan consider?**

Speed management is about much more than speed limits and looks at the network as a whole, including improvements to roads and roadsides, enforcement, education and training, and planning and road classification among other aspects. Speed management is about working towards safe and appropriate travel speeds that reflect the road's function, design, safety and use.

An effective speed management plan requires input from elected members, policy makers, engineers, educators, the police, industry and communities. It needs to be a unified approach to technical road design and management, setting speed limits, legal compliance and public communications that will increase public understanding of speed risk and how to manage it.

### **What do we need from Waitomo District?**

The RTC is invested in road safety as a regional transport priority and recognises the role that effective speed management can play in substantially reducing the regional road toll. Waitomo District is equally invested in protecting its community and visitors from road trauma and is actively involved in regional road safety work at a policy and operational level, working on a number of innovative community road safety initiatives.

Going forward, the RTC's Speed Management Governance Group is overseeing the development of a regional speed management plan, with the RTC supporting the Waikato region through the development of its plan to act as a demonstration project of the national Speed Management Guide for New Zealand.

Using a business case approach a draft plan is proposed which will comprise a number of technical work streams. This work will require the involvement of staff from Waitomo District Council and the other Road Controlling Authorities and road safety agencies in the region.

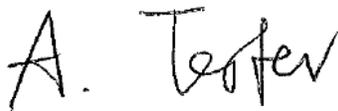
As part of the development of a regional speed management plan, the NZ Transport Agency is funding and carrying out a technical desktop exercise to assess our region's roads. This technical information will provide options for the implementation of speed management that the region can collectively consider.

As the draft plan is developed we propose to return to discuss the plan and ultimately seek your approval to proceed with implementation. The implementation will involve working with you as politicians and council staff to implement speed management consistently across the region, in a staged approach.

The Governance Group now seeks your agreement, in principle, to work with us together on this project.

### **Next steps**

The project team will be continuing around the region to seek buy-in for the development of a draft plan. Working with the Speed Management Governance Group we aim to bring a draft regional speed management plan, with a focus on implementation, back to you in the new year.



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*Andrew Tester*  
**Senior Policy Advisor, Waikato  
Regional Council**



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*Councillor Leo Tooman*  
**Chairperson, Waikato Regional Transport  
Committee Speed Management Governance  
Group**

# Speed management

Introduction to the Waikato Regional Transport Committee Speed Management Project

*Healthy environment*

*Strong economy*

*Vibrant communities*

# Background

## *Safer Journeys 2020* areas of concern:

1. Alcohol/drug impaired driving
2. Young drivers
3. Roads and roadsides
4. Safe speeds
5. Motorcycling



# Why Speed Matters

*“Our overall goal is to reduce the number of crashes and the severity of crashes that do occur. Managing speed is crucial to this because the outcome of all crashes is strongly influenced by impact speed.”*

## The issues

- Higher speeds mean a greater risk of crashing and injury when a crash occurs
- The interpretation and implementation of safer speeds is inconsistent
- Current travel speeds do not always support safety and/or efficiency
- Many people still drive too fast for the road and conditions

## Safer Journeys

Healthy environment

Strong economy

Vibrant communities

# Safe System approach



Healthy environment

Strong economy

Vibrant communities

# Regional Commitment to Speed Management

- Waikato Regional Transport Committee
  - Support for speed management
- Regional Road Safety Strategy 2013-16
- Speed Management Governance Group
- Speed Management Project Steering Group

# Objectives of speed management



- More consistency
- Targeted to risk



Healthy environment

Strong economy

Vibrant communities

# Objectives of speed management



- Better practice
- More effective enforcement



*Healthy environment*

*Strong economy*

*Vibrant communities*

# What would a speed management plan consider?

- Regionally consistent approach to speed management
  - Changing the conversation
  - Improvements to roads and roadsides
  - Enforcement
  - Education and training
  - Planning and road classification
  - Speed limits

# Managing safe speeds together

Prepare a  
regional  
speed  
management  
plan

Inform  
changes to  
the Setting of  
Speed Limits  
Rule  
(including  
ONRC)

Contribute to  
changes to  
the speed  
enforcement  
threshold,  
and penalty  
regime

Work together  
to achieve  
regional  
consistency

Change the  
conversation  
on speed



*Healthy environment*

*Strong economy*

*Vibrant communities*

# Where to from here, and what do we need from you?

- Working with NZ Transport Agency national office
- Technical work underway
- Developing a project plan

*Healthy environment*

*Strong economy*

*Vibrant communities*

# Where to from here, and what do we need from you?

- Seeking your support in principle for a Waikato Regional Transport Committee led regional approach

*Healthy environment*

*Strong economy*

*Vibrant communities*

Document No: 377381

File No: 130/008/2015

**Report To: Council****Date:** 28 October 2015**Subject:** **Deputation: Quotable Value New Zealand - General Revaluation 2015 of Waitomo District**

### Purpose of Report

- 1.1 The purpose of this business paper is:
- to provide Council with an overview of the results of the 2015 General Revaluation of the Waitomo District and,
  - to advise Council that representatives from Quotable Value New Zealand (QVNZ) will be in attendance at the meeting at 11.30 am to provide a briefing to Council on the revaluation.

### Background

- 2.1 The Rating Valuations Act 1998 requires that every property in New Zealand must be revalued for rating purposes at least once every three years.
- 2.2 The last revaluation for the Waitomo District occurred in September 2012 and therefore the revaluation was due to be undertaken again in September 2015.
- 2.3 QVNZ undertook the revaluation on behalf of Council, being Council's appointed Valuation Service Provider.
- 2.4 The 2015 General revaluation was carried out under the Rating Valuations Act 1998 and the Rating Valuations Rules (LINZS30300) which were effective from 1 October 2011.
- 2.5 In accordance with s.12 Rating Valuations Act 1998, the Public Notice advising that the roll is open for inspection and notifying the community of objection timeframes was inserted in the Waitomo News on 22 October 2015.
- 2.6 **The values from the 2015 district revaluation will be used for rating purposes from 1 July 2016.**
- 2.7 The following table contains the high level summary of the General Revaluation Process which was presented to Council in April 2015 and the status of the key milestones.

| Key Milestone         | Description   | Date of Action                 |
|-----------------------|---|--------------------------------|
| Data Integrity Checks | Includes review of data and data cleansing, updating information on certificate of titles, Maori Freehold land properties, earthquake prone buildings, leaky homes. | April 2015<br><b>Completed</b> |

| <b>Key Milestone</b>                               | <b>Description</b>  | <b>Date of Action</b>                         |
|--|---|---|
| Market Surveys                                     | Random surveys of rural, commercial and industrial properties to be sent to ratepayers in the Waitomo District as per Section 45 of the Rating Valuations Act.  | April/May 2015<br><b>Completed</b>            |
| Farm Amalgamations                                 | Amalgamation of properties in compliance with Section 2.4.1.2 of the Rating Valuation Rules 2008 (refer to 2.13 to 2.16 below for more detail on amalgamations).  | April/May 2015<br><b>Completed</b>            |
| Rates Newsletter Mail out                          | A Rates Newsletter will be sent to ratepayers in July, along with the rates invoice and assessment for the 2015/2016 year. The Rates Newsletter will provide details on key information about the District Revaluation taking place in September and the objection process.                                       | July 2015<br><b>Completed</b>                 |
| Waitomo Way  | The August edition of the Waitomo Way will include a section outlining the key information about the District Revaluation including the objection process.  | August 2015<br><b>Completed</b>               |
| Revaluation of Utilities                           | Utility assets of electricity lines and gas distribution networks will be re-valued as per the Rating Valuations Rules 2008 – Section 7.  | Sept 2015<br><b>Completed</b>                 |
| OVG Audit Date and files to OVG                    | The final DVR file sent to the OVG for audit.   | 25 Sept 2015<br><b>Completed</b>              |
| Public Notice                                      | Upon the Valuer-General's Certification of the General Revaluation, WDC will give public notice that the roll is open for inspection and notify the community of objection timeframes as per Rating Valuations Act – Section 12   | 21 Oct 2015<br><b>Completed</b>               |
| Valuation Notice Mail Out                          | Notice of General Revaluation will be sent to owners and ratepayers, detailing the new property values and information on how to object to the new values as per the Rating Valuations Act – Section 13   | 28 Oct 2015<br><b>Completed</b>               |
| Valuation Service Provider presentation to Council | Valuers from Quotable Value will present the key highlights of the District Revaluation to the Elected Members.   | October Council meeting<br><b>In Progress</b> |
| Objections Close                                   | Owners and ratepayers have 30 working days in which to lodge an objection after receiving the above valuation notice. Objections must be received by 3 December 2015. Objections are then forwarded to Quotable Value for further review of the values as per Rating Valuations Rules 2008 – Section 6            | 3 4 Dec 2015                                  |
| Ratepayers notified of result of objection         | Once Quotable Value completes their review, owners and ratepayers will be notified of the result of their objection. If owners are still not satisfied with their value, they have the opportunity to have their objection heard by the Land Valuation Tribunal. (Separate process with the Land Valuation Court) | As each objection is reviewed                 |

## Overview of Results

- 4.1 There are 5861 assessments in the Waitomo District.
- 4.2 In February 2015, the Valuer General instructed that all Councils review and update all productive farming properties to ensure that they are valued as per section 2.4.1.2. of the Rating Valuation Rules 2008 which states that:
- Two or more certificates of title constitute a single rating unit where the land is owned by the same person or persons, is used jointly as a single unit, and is contiguous or separated only by a road, railway, drain, water race, river or stream, and the land is used as one farming operation and it is likely that the certificates of title will be alienated as only one farming operation.*
- 4.3 A review and update exercise of 'farm amalgamations' was carried out by WDC between February and August 2015 which resulted in a decrease in assessments in the District from approx. 6000 to 5861. However, there was no significant impact of the amalgamations on the overall values.
- 4.4 The majority of properties in the District are Residential (42%), followed by Lifestyle (23%) and Pastoral (14%).
- 4.5 The overall value of the Waitomo District at 1 September 2015 is **\$3.045 billion** (including non-rateable properties), which is an **increase of 2.0%** from 2012.
- 4.6 The value of the District had decreased by 7.4% in the last revaluation in 2012.
- 4.7 In terms of value (by capital value), Pastoral properties make up the majority of value in the District at 50%, followed by Dairy (12%), Residential (10%) and Lifestyle (10%).
- 4.8 All categories except for Residential have experienced either growth in value or no change. The largest increase was for Utilities (18.4%) due to the Maui pipeline.
- 4.9 Industrial properties increased by 4.7%, Dairy by 1.8%, Pastoral by 1.3%, Commercial properties by 1.4% and Lifestyle and Minerals under 0.5%.
- 4.10 Residential properties decreased in value (by capital value) by 1.2%. The largest decreases in residential values (capital value) are in Benneydale (11.6%), Piopio (11.5%), followed by Marokopa (0.4%) and Te Kuiti (0.2%).
- 4.11 Properties in Waitomo Caves rose marginally by 0.8% and in Mokau-Awakino by 0.4%.
- 4.12 A preliminary assessment of the General Revaluation on individual property values and rates has been carried out to test the impact. Some key results based on this assessment are:

**By Rateable C.V.** (based on values at 1 July 2015 and 1 September 2015)

Largest \$ Decrease = -\$1.1 million  
 Largest \$ Increase = \$2.15 million

- 4.13 From a **rating** perspective, had the revaluation figures been used to calculate the 2015/16 rates based on property values as at 1 July 2015 (not including UAGCs and targeted rates):
- 728 properties would have had an increase in rates
  - 4,368 properties would have had a decrease in rates (of which 2,843 would have less than \$10 change)
  - 159 properties would have had no change
- 4.14 The maximum rates increase for a property would have been \$7,380.10 and the maximum decrease would have been -\$8,641.30.
- 4.15 There would be 82 properties with rates increase over \$500 and 46 properties with decrease over \$500.
- 4.16 It is important to note that the rates data includes the effect of the subdivisions, building consents and other changes to rates charged since 1 July 2015 and not the effect of the revaluation alone.
- 4.17 Another important aspect is that apportionments (attaching values to plates) have not been loaded into the database yet and these could have a significant impact since values of utilities are based on apportionments (and this is the category with significant increase). The data also does not include the new values for those properties that have been apportioned for rating purposes.
- 4.18 Further analysis is intended to be carried out once values are completely updated, which will be discussed with Council as part of the 2016/17 EAP process. The information will also be used for communication to ratepayers, conveying the effects of the general revaluation on properties.
- 4.19 The Objections process is due to start soon and there is a potential for changes to individual property values as part of this process.

### Approval of the Valuer General

- 5.1 The District revaluation is required to undergo a review by the Valuer General.
- 5.2 The Valuer General has advised that in his view, the proposed values file and associated data comply with the relevant Rating Valuations Rules and meet the minimum standards for a fair and consistent property valuation system.
- 5.3 Accordingly, the Waitomo District General Revaluation has been approved for implementation. Report from the Valuer General is included as **Attachment 1**.

### Suggested Resolutions

1. That the business paper Deputation: Quotable Value New Zealand - General Revaluation 2015 of Waitomo District be received.
2. The Deputation from Quotable Value New Zealand - 2015 General Revaluation of Waitomo District be received.

3. The report from the Valuer General on his review of the general revaluation of the Waitomo District as at 1 September 2015, as undertaken by Quotable Value, be received.
4. Subject to the outcome(s) of the objections process, Council approve the 2015 District General Revaluation.

*Vibhuti*

VIBHUTI CHOPRA  
**GROUP MANAGER CORPORATE SERVICES**

21 October 2015

Attachment 1 Approval of the Valuer General on the General Revaluation as at 1 September 2015 (377455)

**APPROVAL OF THE VALUER GENERAL  
TO THE  
CHIEF EXECUTIVE OF THE WAITOMO DISTRICT  
COUNCIL ON THE GENERAL REVALUATION  
AS AT 1 SEPTEMBER 2015**

I have completed my review of the 1.09.15 General Revaluation of Waitomo District undertaken on your behalf by Quotable Value Ltd. The review has focussed on the validated electronic data files, the basis, and other information provided to me, to **facilitate the 'approval' of the general revaluation, in accordance with the Rating Valuations Act 1998 and the Rating Valuations Rules 2008.**

**Responsibilities**

For the statutory responsibilities of each party refer to the relevant provisions of the Rating Valuations Act 1998, the Rating Valuations Regulations and the Rating Valuations Rules 2008.

Territorial Authorities own their respective district valuation rolls and as such are responsible for implementing mechanisms that enable them to provide assurance to the Valuer-General that the roll meets the requirements of the aforementioned Act, Regulations and Rules.

Within 15 working days of receipt of the validated electronic data files, basis, and other requested information, the Valuer-General is required to notify the territorial authority whether or not the proposed values are approved for implementation.

**Scope of review**

A review includes examining the adequacy of revaluation processes that are in operation, to enable the Valuer-General to provide an approval.

It is important to note that the review did not examine every valuation, and I do not guarantee complete accuracy of individual assessments.

The review was planned and performed so as to obtain information and evidence considered necessary to test whether the territorial authority had provided reasonable assurance that the General Revaluation complied with the standards. I also considered the adequacy of the supporting basis documentation and the general level of justification for the proposed values.

**Wellington Office**  
Radio New Zealand House  
155 The Terrace  
PO Box 5501  
Wellington 6145  
New Zealand  
T 04 460 0110  
E [info@linz.govt.nz](mailto:info@linz.govt.nz)  
[www.linz.govt.nz](http://www.linz.govt.nz)

[newzealand.govt.nz](http://newzealand.govt.nz)

My review included:

- reviewing the Basis information supplied;
- determining whether the control environment is working and can be relied on;
- analysing the validated data files;
- performing statistical analysis to identify anomalies;
- checking the accuracy of proposed values on a random sample of assessments; and
- concluding whether the district valuation roll meets the minimum standards for certification.

**Approval**

It is my view, based on the above, that the proposed values file and associated data comply with the relevant Rating Valuations Rules and meet the minimum standards for a fair and consistent property valuation system.

Accordingly, the Waitomo District General Revaluation is hereby approved for implementation.



Approved by

\_\_\_\_\_  
Neill Sullivan  
Valuer-General

*cc Quotable Value Limited*

## 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 25 AUGUST 2015 AT 9.00AM

**PRESENT:** Mayor Brian Hanna, Deputy Mayor Guy Whitaker, Council Members Phil Brodie, Terry Davey, Allan Goddard, Sue Smith and Lorrene Te Kanawa

**IN ATTENDANCE:** Todd Ward (Waitomo News); Mike Maguire and Dede Downs (Sport Waikato); Max Baxter, Otorohanga District Mayor and Ray Haley, Otorohanga Youth Coordinator (Otorohanga District Development Board); Sandra Squier and Steph MacPherson (Kitty Korner Charitable Trust)

Chief Executive; Executive Assistant; Group Manager – Community Services (for part only); David Brown, Principal Rural Fire Officer (for part only); Group Manager – Corporate Services (for part only); Group Manager – Customer Services (for part only); Environmental & Regulatory Services Leader (for part only); Group Manager – Assets (for part only) and

|                          |
|--------------------------|
| <b>1. Council Prayer</b> |
|--------------------------|

|  |                     |
|--|---------------------|
| <b>2. Review of Waitomo District Rural Fire Plan</b> | <b>File 502/001</b> |
|--|---------------------|

Council considered a business paper presenting for information and comment the proposed Waitomo District Rural Fire Plan for 2015-2017.

The Principal Rural Fire Officer expanded on the business paper and answered Members' questions.

#### **Resolution**

- 1 The business paper on Review of Waitomo District Rural Fire Plan be received.
- 2 Council delegate authority to the Chief Executive to finalise and sign the finalised Waitomo District Council Rural Fire Plan before distribution.
- 3 Council delegate authority to the Chief Executive to finalise and sign future reviews of the Waitomo District Rural Fire Plan.

Whitaker/Goddard                      Carried

The Group Manager – Community Services and Principal Rural Fire Officer left the meeting at 9.22am

|  |                      |
|--|----------------------|
| <b>3. Declarations of Member Conflicts of Interest</b> | <b>File 037/051A</b> |
|--|----------------------|

No declarations were made.

|  |                      |
|--|----------------------|
| <b>4. Verbal Reports: Individual Councillor Roles and Responsibilities</b> | <b>File 037/040B</b> |
|--|----------------------|

Cr Brodie

- . Project Piopio Trust
- . Council Workshop
- . Waitomo Catchment Trust Meeting

Cr Te Kanawa

- . Muffin talk anti violence
- . Te Kuiti Community House

Cr Goddard

- . Benneydale Residents and Ratepayers Assn
- . Benneydale Hall Society
- . Destination Pureora cancelled due to lack of quorum

Cr Smith

- . DC Tynan Trust Meeting
- . Te Kuiti Development Inc

Cr Smith

- . Historical Society
- . West Coast Zone

Deputy Mayor

- . DC Tynan Funding
- . Brook Park
- . Te Kuiti Development Inc
- . Legends Committee

Mayor

- . LGNZ Workshop on RMA Reform in Wellington
- . Working with Otorohanga on Youth
- . Healthy Rivers
- . Social Sector Trials Meeting in Wellington
- . Shearing Committee Meeting
- . Waitomo Energy Trust Meeting
- . Meetings re Manuka Honey
- . Waikato Spatial Plan
- . Legends Gallery
- . Association Auctioneers

**Resolution**

The verbal reports be received.

Te Kanawa/Brodie

Carried

|  |                      |
|--|----------------------|
| <b>5. Confirmation of Minutes – 25 August 2015</b> | <b>File 037/040B</b> |
|--|----------------------|

**Resolution**

The Minutes of the Waitomo District Council meeting of 25 August 2015 be confirmed as a true and correct record subject to the following amendment:

Verbal Reports: Deputy Mayor – the meeting was with “Ed Morrow”

Smith/Whitaker                      Carried

|   |                      |
|---|----------------------|
| <b>6. Local Authority Shared Services – 2014/2015 Annual Report</b> | <b>File 064/013B</b> |
|---|----------------------|

Council considered a business paper presenting for information the Local Authority Shared Services (LASS) Annual Report for the year ending 30 June 2015.

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

**Resolution**

- 1        The business paper on Local Authority Shared Services – 2014/2015 Annual Report be received.
  
- 2        The Local Authority Shared Services – 2014/2015 Annual Report be received.

Goddard/Te Kanawa                      Carried

The meeting adjourned for morning tea at 10.00am and reconvened at 10.10am  
The Group Manager – Corporate Services entered the meeting at 10.10am

|  |                      |
|--|----------------------|
| <b>7. Interim Unaudited Financial Report for the Year ended 30 June 2015</b> | <b>File 100/018B</b> |
|--|----------------------|

Council considered a business paper presenting the Interim Unaudited Financial Report for the year ended 30 June 2015.

The Group Manager – Corporate Services expanded verbally on the business paper and answered Members’ questions, advising that Bancorp is using Waitomo District Council as an exemplary example of achievement.

**Resolution**

- 1        The business paper on the Interim Unaudited Financial Report for the year ended 30 June 2015 be received.
  
- 2        Council paid tribute to the Senior Management Team, and in particular the Group Manager – Corporate Services and Finance Team, on achieving an outstanding result for the year ending 30 June 2015.

Goddard/Brodie                      Carried

**8. Policy Review Programme****File 037/00B**

Council considered a business paper presenting the findings of a review of Council's policies. This review was undertaken as part of the Policy & Bylaw work stream of the Waikato Mayoral Forum.

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

**Resolution**

- 1 The business paper on the Policy Review Programme be received.
- 2 Council revoke 89 policies as follows:

| <b>Policy</b>  | <b>Year Adopted</b> | <b>Description</b>   | <b>Comment</b>   |
|--|---------------------|--|--|
| 1. Policy Statement Register and Delegated Authority Register Review | 1999                | Delegated authority to update the policy statement register and delegated authority register in certain circumstances. This included the ability to include review clauses in certain Council policies, removing policies or delegations overtaken by events etc | Requirement superseded. Policy Statement Register no longer exists and any amendments to Council adopted policies are authorised by Council not the CE. The delegations register contains the financial delegations from the CE to staff and therefore no further authority from Council is required for the CE to be able to review the delegations register. |
| 2. Chief Executive - Role and Responsibilities                       | 1999                | Outlines roles and responsibilities of CE  | Superseded by section 42 of the Local Government Act 2002 (Chief Executive)  |
| 3. Management Structure  | 1999                | Sets out Management Structure that existed at the time and style of management to be followed  | New management structure in place  |
| 4. Staff-Appointment   | 1999                | Outlines that Council appoints CE and CE appoints the staff. Includes provision for advertising nationally Executive and Team Leader positions   | The appointment of the CE and staff are included in Local Government Act 2002 (LGA) and therefore no policy is necessary. Nearly all of Council's positions are now advertised nationally via the internet   |
| 5. Staff Retirement Age  | 1999                | Policy to encourage staff to optimise their period of retirement   | WDC can not force or require staff to retire because of their age  |
| 6. Corporate Support Team  | 1999                | Objectives and performance measures for secretarial/administrative services and information services   | Superseded by current job descriptions   |
| 7. Smoke-Free Environment Act 1990                                   | 1999                | Sets out smoke free policy for Council buildings   | Superseded by Council's internal Smoke Free Policy   |
| 8. Meetings - Council  | 1996                | Sets dates for Council meetings  | Requirement superseded. Schedule of meetings adopted by Council in December each year  |
| 9. Members Remuneration and Allowances                               | 1995                | Deals with Elected Members Remuneration and Allowances   | Superseded by Policy on Elected Members' Allowances and Recovery of Expenses Policy adopted September 2013   |
| 10. Human Resource Management  | 1999                | Sets out objectives in relation to EEO legislation and Good Employer obligations   | Superseded by Council's Equal Opportunities Policy and Good Employer obligations under LGA   |
| 11. Equal Employment Opportunity Programme                           | 1999                | Promotion of equal employment opportunities  | Superseded by Council's internal Equal Opportunities Policy  |
| 12. Council Representatives on Outside Organisations                 | 2001                | List of which Councilors were on various outside organisations   | Superseded   |
| 13. Standing Orders  | 1995                | Adoption of model standing orders  | Superseded by subsequent adoption of standing orders. Current version of Standing Orders adopted 19 October 2010 and reconfirmed 24 October 2013   |

| <b>Policy</b>  | <b>Year Adopted</b> | <b>Description</b>   | <b>Comment</b>   |
|--|---------------------|--|--|
| 14. Support Services - Finance Team - Objectives/Performance   | 1999                | Objectives and performance measures for Support Services - Finance Team  | Superseded by current job descriptions   |
| 15. Assets Fixed - Residual Values   | 1993                | Sets out the Residual Value and Depreciation Rate for Fixed Assets   | Superseded. Information contained in our current Accounting Policies in LTP and Annual plan documentation  |
| 16. Assets - Fixed and Infrastructural Maintenance v Capital Expenditure   | 1999                | Sets out policies in relation to capital and maintenance expenditure   | Superseded by information now contained in our LTP and Annual Plans  |
| 17. Rating - Uniform Annual General Charge (Cost of Governance and Piopio Community Board)                             | 1999                | Sets out how the activities of Governance and Piopio Community Board will be funded  | Superseded by Council's Revenue and Financing Policy   |
| 18. Rating - Exemption of Maori Freehold Land from Payment of Rates  | 1992                | All requests for exemption of rates on Maori Freehold land be declined   | Superseded. Policy for exemption of rates on Maori Freehold land included in Council's Policy on Remission of Rates (Including remissions and postponements of rates on Maori Freehold Land) |
| 19. Rate Penalty Remission Policy  | 2001                | Outlines criteria for rates penalty remission  | Superseded by Council's Policy on Remission of Rates (Including remissions and postponements of rates on Maori Freehold Land)  |
| 20. Rating Remission Grants  | 1993                | Outlines rate remission policies   | Superseded by Council's Policy on Remission of Rates (Including remissions and postponements of rates on Maori Freehold Land)  |
| 21. Insurance for Elected Members and Management - Injury  | 1996                | Deals with any money received by Council in excess of any actual expenditure incurred in respect of an insurance claim for Elected Members and Management Injury | Insurance policy no longer held.   |
| 22. Rates Postponement in Case of Hardship   | 1996                | Process for applications for postponement of rates in case of hardship   | Superseded. Rate relief in case of hardship provided for by Council's Policy on Remission of Rates (Including remissions and postponements of rates on Maori Freehold Land)                  |
| 23. Rates Remission on land voluntarily preserved for natural or historic or cultural purposes - Part XIIB of the Act. | 1996                | Sets out the types of properties to be considered for rates remission on basis of land voluntarily preserved for natural or historic or cultural purposes        | Superseded by legislation and Council's Policy on Remission of Rates (Including remissions and postponements of rates on Maori Freehold Land)  |
| 24. Resource Management  | 1999                | Objective: To ensure any conditions imposed by Council in relation to planning consent are complied with within three months of the proposal being completed     | All Resource Management issues now addressed within the District Plan  |
| 25. Development Levies   | 1999                | Policy: In general Council will not impose Development Levies  | Superseded by Financial Contributions Policy in District Plan  |
| 26. Environmental Health   | 1999                | Within constraints of reasonable staff resources WDC will promote an environment which will enhance health and wellbeing of all citizens                         | Superseded by Regulatory AMP   |
| 27. Dangerous Goods  | 1999                | Provision for administration and enforcement of Dangerous Goods Act 1974   | Act repealed.  |
| 28. Liquor Licensing   | 1999                | To ensure that Liquor Licences are issued in accordance with s.100 of the Sale of Liquor Act 1989  | Act repealed, policy not necessary   |
| 29. Building, Plumbing and Drainage  | 1999                | Policy to efficiently administer and enforce the Building Act and Regulations  | Provision now contained in Regulatory AMP  |
| 30. Re-siting of Existing Houses   | 1999                | Provides for Bonds when re-siting existing houses  | Bonds for re-sited dwellings now set as part of Council's fees and charges   |

| Policy  | Year Adopted | Description   | Comment   |
|---|--------------|---|---|
| 31. Animal Control  | 1999         | To administer and enforce Dog Control Act 1996, Impounding Act 1995 and Council's Control of Dogs Bylaws 1997   | Provision now contained in Regulatory AMP   |
| 32. Esplanade Reserves                                    | 1999         | Interim measure until District Plan confirmed in relation to Esplanade Reserves   | District Plan adopted therefore no need for interim measure   |
| 33. Costal Erosion  | 1995         | Policy states Council will not make ex gratia payments or grants to owners or occupiers of property adversely affected by costal erosion and will not undertake remedial or protection works or supply resources for work on private land | Coastal erosion will continue to be an issue for our District. Erosion at Mokau to be addressed via Managed Retreat Policy to be developed.<br>Delete. <b>This information to be included in a location yet to be determined.</b> |
| 34. Properties  | 1999         | To efficiently manage, maintain and advise on development of Council properties   | Superseded. Management of Council properties now addressed in Housing and Other Property AMP  |
| 35. Housing   | 1999         | Sets out Council rental properties to sell or rent and sets market rate for rentals   | Superseded. Management of Council properties now addressed in Housing and Other Property AMP  |
| 36. Land Disposal   | 1995         | Sets out process for disposal of land   | Superseded. Covered by legislation and Housing and Other Property AMP   |
| 37. Chattels in Rental Housing                            | 1999         | Sets out policies in relation to flooring, light fittings and improvements to rental properties   | Provisions contained in rental agreements as appropriate  |
| 38. Ex-Ministry of Works Building, Queen Street, Te Kuiti | 1999         | Deals with historic gifting and leasing arrangements for Ex-Ministry of Works Building, Queen Street.   | Delete Policy   |
| 39. Cultural and Arts Centre Land                         | 1999         | Council intends to retain the land lying between Esplanade, King Street and Jennings Street for possible future development   | Superseded by Housing and Other Property AMP  |
| 40. Piopio and District Museum Trust building             | 1999         | Historic Purchase details   | No longer relevant. <b>Delete but archive this information.</b>   |
| 41. Housing for the Elderly                               | 1999         | Occupancy criteria for housing for the elderly  | Criteria included in application form   |
| 42. Halls - Public  | 1999         | Sets out that hire charges for Waitomo Cultural and Arts Centre will be reviewed annually and a discount offered for 5 consecutive days use. Also includes provisions in relation to public halls in the district                         | Superseded. Covered by Fees and Charges and Housing and Other Property AMP  |
| 43. Libraries   | 1999         | Sets out where a library service will be provided and charges for residents   | Superseded by Library Strategy and Fees and Charges   |
| 44. Conveniences - Public                                 | 1999         | Sets out detail of Public Toilets   | Superseded. Management of Council toilets now addressed in Public Amenities AMP   |
| 45. Visitor Information Services                          | 1999         | Goal of disseminating up to date information and selling a range of services normally provided by an accredited Regional Visitor Information Network Office via the Te Kuiti visitor Information Centre                                   | Superseded by Community Development Strategy  |
| 46. Camping Grounds                                       | 1999         | Objective to provide a camping facility at Te kuiti and Marokopa. Sets maximum stays at Te Kuiti campground   | Te Kuiti and Marokopa camp grounds now leased out by Council. Therefore policy setting maximum stays no longer relevant   |
| 47. Swimming Facilities                                   | 1999         | For Council to provide a swimming facility in Te Kuiti and contribute to the cost of operating the pool at the Piopio baths   | Te Kuiti swimming facility now included in the Recreation and Culture AMP. The pool at Piopio is now operated by Piopio Primary/College   |
| 48. Parks and Reserves                                    | 1999         | To maintain reserves for sport, recreation and passive users and to progressively replace playground equipment in parks and reserves  | Superseded by Parks and Reserves AMP  |

| Policy   | Year Adopted | Description  | Comment  |
|--|--------------|--|--|
| 49. Recreational Reserves - Urban                                  | 1999         | Sets out use and cost sharing arrangements at Centennial Park, Te Kuiti Domain and Ward Street Reserve                                 | Superseded by Parks and Reserves AMP and relevant reserve management plans   |
| 50. Reserves - Rural   | 1999         | Sets out which reserves are under the control of local committees and which are under the direct control of Council                    | Superseded by Parks and Reserves AMP, Brook Park Reserve Management Plans and Te Nau Nau Reserve Protection Plan   |
| 51. Hillary Commission   | 1999         | Sets out the process for Council's involvement in administering the Hillary Commission Local Community Sport Fund                      | Council no longer involved in administering this fund  |
| 52. Creative New Zealand - Funding Scheme and Assessment Committee | 1994/1995    | Sets out the process for Council's involvement in administering the local Creative Communities Funding scheme                          | Creative New Zealand now issue Administrators and Assessors guides which we are required to use, therefore policy no longer relevant   |
| 53. Cemeteries   | 1999         | Lists the cemeteries in the district and sets as an objective a high standard of management and maintenance at the cemeteries          | Superseded by the Public Amenities AMP   |
| 54. Civil Defence  | 1999         | To maintain the Waitomo Civil Defence Organisation in a state of readiness to meet emergency situations                                | Superseded by the Public Amenities AMP   |
| 55. Airfield Te Kuiti  | 1999         | To maintain Te Kuiti Airfield and facilities at a level commensurate with demand.  | Superseded by the Recreation and Culture AMP   |
| 56. District Development   | 1999         | Sets out objectives to stimulate community pride and social awareness and stimulate district-wide commercial growth                    | Superseded by Long Term Plan documentation, such as Council vision and focus areas, as well as Community Development AMP   |
| 57. Funding - Application Form                                     | 1999         | Includes a funding application form for use where funds over \$1000 are requested from Council   | Policy no longer required. Funding applications to Council processed in accordance with the Community Fund Development Policy  |
| 58. Community Service Award  | 1999         | Sets out the process for Community Service Awards  | Superseded by Citizens Award Policy  |
| 59. Bravery Awards   | 1999         | Sets out the process for Bravery Awards  | Superseded by Citizens Award Policy  |
| 60. Shearing Capital of the World Trademark                        | 1995         | Sets out provisions for using Shearing Capital of World Trademark  | Trademark currently registered, however, not used often. Given Council's focus on encouraging people to undertake activities which promote our district, it is recommend that this policy is deleted as it sets charges for use of the trademark and requires licence agreements to be entered into  |
| 61. Sister City Committee  | 1993 & 1994  | Terms of reference for Sister City Committee   | Terms of reference for Sister Committee have not been reviewed since adoption in 1993/94. Update of Sister City Committee documents incorporated into the roadmap for 2015-18. Scheduled for review December 2016 Delete. <b>This information to be included in a location yet to be determined.</b> |
| 62. Treescape Te Kuiti - Felling of Mature Trees                   | 1996         | Requirement to call for objections when felling a mature tree on public land   | Policy no longer required as this process is no longer followed  |
| 63. Plant operations   | 1999         | Council to maintain an adequate range of suitable plant and machinery to enable all Council groups to undertake their required duties. | Specific policy no longer required. Detail of deliverability of Council's activities covered in AMPs.  |
| 64. Sewerage Systems   | 1999         | To provide an adequate piped sewer and sewage treatment within the District where practical and economically viable.                   | Superseded by Wastewater AMP   |

| Policy   | Year Adopted | Description  | Comment   |
|--|--------------|--|---|
| 65. Water Supply                                       | 1999         | To provide, maintain and develop where practicable & economically viable an adequate and potable water supply.   | Superseded by Water AMP   |
| 66. Land Drainage                                      | 1999         | Sets out provision for storm water and drainage systems in urban areas and rural drainage.   | Superseded by the Infrastructure Strategy, Urban Storm water AMP and Roads and Footpaths AMP  |
| 67. Rural Fire Authority                               | 1999         | Sets out policies in relation to rural fire in terms of statutory requirements and volunteer groups.   | Superseded by Public Amenities AMP.   |
| 68. Roothing Services                                  | 1999         | To provide an adequate roading network   | Superseded by Infrastructure Strategy and Roads and Footpaths AMP   |
| 69. Roads - Urban (Te Kuiti)                           | 1999         | Sets out hierarchy of urban streets and replacement dates for bridges, as well as details of programmes for street maintenance, street cleaning, street lighting, shape correction treatment and resealing.  | Superseded by Infrastructure Strategy, Roads and Footpaths AMP and Roothing Contract Specifications   |
| 70. Roads - Piopio                                     | 1999         | Sets out programme for street maintenance, street cleaning, street lighting, shape correction treatment and resealing.   | Superseded by Infrastructure Strategy, Roads and Footpaths AMP and Contract Specifications  |
| 71. Roads - Rural                                      | 1999         | Sets out operational and maintenance provisions in relation to rural roads in respect of: roading hierarchy, maintenance, cleaning, street lighting, culvert replacement, shape correction treatment, minor safety improvements, resealing, seal extension, roadside weeds, roadside drains, abandoned vehicles, trees, plantings, gates and cattle stops on no exist roads and no exist rural roads | Superseded by Infrastructure Strategy, Roads and Footpaths AMP and Land Transport Bylaw. However, the section on 'No Exit Rural Roads' is not covered elsewhere and is still followed. Also not included elsewhere are some of the provisions in relation to gates and cattle stops on no exist roads. Delete. <b>This information to be included in a location yet to be determined.</b> |
| 72. Motor Sports Events on Council's Roads             | 1995         | Sets out conditions for the temporary closure of roads for motor sports events   | Process for road closures in the case of events covered in Local Government Act 1974 and Transport (Vehicular Traffic Road Closure) Regulations 1965. Detail of the process included on WDC application form for temporary road closures.   |
| 73. Footpaths  | 1999         | Set out Council's maintenance, cleaning and construction objectives in relation to footpaths at the time.  | Superseded by Infrastructure Strategy and Roads and Footpaths AMP and contract specifications   |
| 74. Road Signs   | 1992         | Includes provisions for traffic signs installed by Council and other information signs.  | Superseded by Roads and Footpath AMP and Public Places Bylaw (consent for signage).   |
| 75. District Marketing Policy                          | 2001         | Sets out provision for promoting the district, including marketing activities and involvement in visitor information.  | Superseded by Long Term Plan documentation and Community Development Strategy.  |
| 76. Consultation with Tangata Whenua                   | 1997         | Sets out the intended process for consulting with Maori at that time.  | Superseded by Long Term Plan documentation.   |
| 77. Performance of Functions and Delivery of Services. | 1997         | Sets out process for reviewing the delivery of services in-house verses other methods. Chief Executive was to report back on this review by 31 December 1997.  | Event in the past, policy no longer required.   |
| 78. Occupation of Unformed Legal Road                  | 1997         | To adequately maintain unformed legal road until required for development of a road, including current occupancies terms and when these will terminate.  | Policy requires review. Delete. <b>This information to be included in a location yet to be determined.</b>  |
| 79. Asset Management Policy for Infrastructural Assets | 1998         | Sets out objectives for Asset Management   | Superseded by current AMPs and Infrastructure Strategy.   |
| 80. Waitomo District Council Archives                  | 1999         | Purpose of this policy is to broadly outline the purpose, objectives, the conditions which define the scope of archival activities, the authorities  | Substantial parts of this policy relate to repealed Acts and the policy is focused on hard copy archiving. Policy not relevant for  |

| Policy   | Year Adopted | Description   | Comment  |
|--|--------------|---|--|
|  |              | under which they operate and the services offered to users.   | today's practices. Internal Records Management Policy to be developed  |
| 81. Dog Control Policy   | 1997         | Policy aims to promote the control of dogs so that people can enjoy the benefits of dog ownership without adversely affecting other members of the community. | Superseded by the Dog Control Policy 2011.   |
| 82. Tenders and Contract Administration  | 1999         | Sets out guidelines to cover situations where Council is purchasing works, goods or services.   | Superseded by current internal Procurement Policy and internal procedures.   |
| 83. Plant Policy   | 1998         | Sets out the previous fleet management policy, which included contracting with a fleet management company and allocation of vehicles                          | Superseded by internal Motor Vehicle Safe Driving and Fleet Management Policy  |
| 84. Dust Coat Seal Strips  | 1999         | Unsealed roads and Council contribution towards dust coat seal  | Council no longer makes this contribution. No budget allocated   |
| 85. Supply of Treated Water to Water Carrying Contractors and Roding Contractors | 1999         | Sets out the conditions for supply of treated water to water carrying contractors and roading contractors   | Provisions now contained in Water Services Bylaw, Permit application and conditions                                    |
| 86. Service Requests   | 1999         | Sets out process for dealing with service requests  | Detail of procedure now incorporated into the service request system itself  |
| 87. Definition of Material Error   | 2000         | Set the threshold for material error for purposes of s122T(2) of Local Government Act 1974  | Section of Local Government Act 1974 repealed. no longer necessary   |
| 88. Rates Relief   | 2000         | for rates relief for businesses locating or expanding within the Waitomo District   | Superseded by Council's on Remission of Rates (Including remissions and postponements of rates on Maori Freehold Land) |
| 89. Band Rotunda   | 2001         | Set out process for use of Band Rotunda when it was located in the Railway Plaza, Rora Street   | Band Rotunda now located in Brook Park and covered by Brook park Committee   |

Smith/Davey                      Carried

The Group Manager – Corporate Services left the meeting at 10.33am

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|-----------|---|----------------------------|
| <b>9.</b> | <b>Brook Park Inc Society – Minutes</b> | <b>File 401/0581153000</b> |
|-----------|---|----------------------------|

Council considered a business paper providing information relating to the Brook Park Incorporated Society meeting convened on 7 September 2015

Councillor Whitaker expanded verbally on the business paper and answered Members' questions.

**Resolution**

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

Whitaker/Davey                      Carried

The Group Manager – Customer Services entered the meeting at 10.38am

Mike Maguire, General Manager and Dede Downs, Sport Waikato Coordinator entered the meeting at 10.40am

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|---|----------------------|
| <b>10. Deputation: Sport Waikato – Six Monthly Report (January to June 2015) and Schedule of Services 2015/2016</b> | <b>File 037/042A</b> |
|---|----------------------|

Council received a Deputation and PowerPoint Presentation from Mike Maguire, General Manager and Dede Downs, Sport Waikato Coordinator presenting the Sport Waikato Six Monthly Report and Schedule of Services for 2015/2016.

**Resolution**

The Deputation from Sport Waikato – Six Monthly Report be received.

Smith/Whitaker Carried

Mike Maguire, General Manager and Dede Downs, Sport Waikato Coordinator left the meeting at 11.16am

Otorohanga District Mayor Max Baxter and Ray Haley, Otorohanga Youth Coordinator entered the meeting at 11.19am.

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| <b>11. Deputation: Otorohanga District Development Board – 6 Monthly Report</b> | <b>File 092/015B</b> |
|---|----------------------|

Council received a Deputation from Otorohanga District Mayor Max Baxter and Ray Haley, Otorohanga Youth Coordinator presenting the Otorohanga District Development Board's 6 Monthly Report against the Key Performance Indicators contained in the Service Level Agreement.

**Resolution**

The Deputation from Otorohanga District Development Board be received.

Smith/Whitaker Carried

Otorohanga District Mayor Max Baxter and Ray Haley, Otorohanga Youth Coordinator left the meeting at 11.41am.

Sandra Squier and Steph MacPherson entered the meeting at 11.42am.

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|---|----------------------|
| <b>12. Deputation: Sandra Squier and Steph MacPherson – Kitty Korner Charitable Trust</b> | <b>File 037/042A</b> |
|---|----------------------|

Council received a Deputation from Sandra Squier and Steph MacPherson briefing Council on the newly formed Kitty Korner Charitable Trust.

**Resolution**

The Deputation from Sandra Squier on the Kitty Korner Charitable Trust be received.

Te Kanawa/Brodie Carried

Sandra Squier and Steph MacPherson left the meeting at 12.03pm

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|------------|---|----------------------|
| <b>13.</b> | <b>Deputation – Waitomo Caves Discovery Centre: Reporting against Service Level Agreement</b> | <b>File 037/042A</b> |
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Council considered the business paper presenting the Waitomo Caves Discovery Centre's Annual Report as per the Service Level Agreement and noted the apology from Celina Yapp.

**Resolution**

The Waitomo Caves Discovery Centre Report against the Service Level Agreement for 2014/2015 be received.

Te Kanawa/Goddard                      Carried

Todd Ward (Waitomo News) left the meeting at 12.08pm.

The meeting adjourned for lunch at 12.08pm and reconvened at 12.47pm.

The Group Manager – Corporate Services re-entered the meeting at 12.47pm.

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| <b>14.</b> | <b>Waitomo District Plan Gaps and Needs Assessment</b> | <b>File 097/002A</b> |
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Council considered a business paper detailing the Gaps and Needs Assessment recently carried out for the Waitomo District Plan.

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

**Resolution**

- 1        The business paper on Waitomo District Plan Gaps and Needs Assessment be received.
  
- 2        A full Waitomo District Plan Review commence in 2016/17 after October 2016 with planning for the review starting towards the end of the 2015/16 financial year.

Brodie/Te Kanawa                      Carried

The Group Manager – Community Services re-entered the meeting at 1.14pm.

The Group Manager – Corporate Services and Group Manager – Customer Services left the meeting at 1.17pm.

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|--|-----------------------|
| <b>15. Progress Report: Civil Defence Emergency Management Joint Committee Minutes</b> | <b>File 400/010/3</b> |
|--|-----------------------|

Council considered a business paper providing information relating to the Joint Committee meeting of 8 June 2015.

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

**Resolution**

The Progress Report: Civil Defence Emergency Management Joint Committee Minutes of 8 June 2015 be received.

Goddard/Smith Carried

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|---|----------------------------|
| <b>16. Progress Report: 28 Taupiri Street, Te Kuiti – Renewals and Entrance</b> | <b>File 401/0588423600</b> |
|---|----------------------------|

Council considered a progress report on the renovations of the entrance and first floor of 28 Taupiri Street, Te Kuiti.

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

Council noted the error in the business paper. The Official Opening is scheduled for 10.00am on Friday 9 October 2015.

**Resolution**

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

Te Kanawa/Whitaker Carried

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|--|----------------------------|
| <b>17. Progress Report: Te Kuiti Railway Buildings</b> | <b>File 401/9992000100</b> |
|--|----------------------------|

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.

Council noted the error in the business paper. The Official Opening is scheduled for 1.00pm on Friday 9 October 2015.

**Resolution**

The Progress Report: Te Kuiti Railway Building be received.

Davey/Whitaker Carried

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|--|----------------------------|
| <b>18. Progress Report: Waitomo Cultural and Arts Centre – Stage Upgrade (Courtyard and Kitchen)</b> | <b>File 401/0588424200</b> |
|--|----------------------------|

Council considered a business paper presenting for consideration draft concept drawings/designs for the proposed upgrade of the Waitomo Cultural and Arts Centre (C&AC) Courtyard.

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

**Resolution**

The Progress Report: Waitomo Cultural and Arts Centre – Court Yard Upgrade be received.

Te Kanawa/Davey Carried

|   |                       |
|---|-----------------------|
| <b>19. Progress Report: Rural Halls</b> | <b>File 401/Halls</b> |
|---|-----------------------|

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/Te Kanawa Carried

The Group Manager – Assets entered the meeting at 1.49pm.

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| <b>20. Progress Report: Monthly Operation and Maintenance Report for Water, Sewerage and Stormwater – September 2015</b> | <b>File 037/005B</b> |
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Council considered a progress report on the three waters Operational, Maintenance and Capital Works including contracted out services.

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

**Resolution**

The Progress Report: Monthly Assets Group Report for Water, Sewerage and Stormwater – September 2015 be received.

Whitaker/Davey Carried

**21. Te Kuiti Water Take Consent****File 505/503B**

Council considered a business paper providing a brief on Consent conditions proposed by Waikato Regional Council for the Water Take Consent for Te Kuiti.

The Group Manager – Assets expanded verbally on the business paper and answered Members’ questions.

**Resolution**

- 1 The business paper on Te Kuiti Water Take Consent be received.
- 2 A dedicated Water Conservation Campaign be implemented.

Brodie/Whitaker                      Carried

**22. Progress Report: Solid Waste Activity – September 2015****File 037/005B**

Council considered a progress report on Solid Waste operations, maintenance and capital development activities.

The Group Manager – Assets expanded verbally on the business paper and answered Members’ questions.

**Resolution**

The Progress Report: Solid Waste Activity – September 2015 be received.

Brodie/Goddard                      Carried

**23. Kinohaku Transfer Station – Proposed Service Level Reduction****File 505/526**

Council considered a business paper seeking approval to reduce the level of service at Kinohaku Transfer Station.

The Group Manager – Assets expanded verbally on the business paper and answered Members’ questions.

**Resolution**

- 1 The business paper on Kinohaku Transfer Station – Proposed Service Level Reduction be received.
- 2 Council approve a reduction in service level at Kinohaku Transfer station from four days per week to two days per week with operating hours as follows:

|        |                        |
|--------|------------------------|
| Sunday | 12.00 midday to 4.00pm |
| Monday | 9.00am to 1.00pm       |

Smith/Davey                      Carried

|  |                         |
|--|-------------------------|
| <b>24. Progress Report: Monitoring Against 2012-2022 Long Term Plan – Land Transport (for August 2015)</b> | <b>File 037/020/12B</b> |
|--|-------------------------|

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 (LTP)
- establishment of a framework for monitoring the ongoing implementation of the 2012-22 LTP as part of the Road Map Work Programme.

The Group Manager – Assets, Mayor and 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 (August 2015) be received.

Brodie/Te Kanawa Carried

|   |                      |
|---|----------------------|
| <b>25. Progress Report: Road Map Work Programme</b> | <b>File 037/048B</b> |
|---|----------------------|

Council considered a progress report presenting the monthly update on progress against the Road Map Work Programme adopted by Council on 26 August 2014.

**Resolution**

The Road Map Monitoring Schedule as at 29 September 2015 be received.

Goddard/Brodie Carried

|   |                      |
|---|----------------------|
| <b>26. Progress Report: Resource Consent Applications</b> | <b>File 097/001E</b> |
|---|----------------------|

Council considered a progress report on outstanding resource consent applications and those applications currently being processed.

**Resolution**

The Progress Report: Resource Consent Applications be received.

Goddard/Davey Carried

The Group Manager – Customer Services and Environmental & Regulatory Services Leader entered the meeting at 2.15pm.

|   |                      |
|---|----------------------|
| <b>27. Adoption of Draft Dog Control Policy 2015, Draft Dog Control Bylaw 2015 and Statement of Proposal for Consultation</b> | <b>File 037/054A</b> |
|---|----------------------|

Council considered a business paper presenting the Draft Dog Control Policy, Dog Control Bylaw 2015 and Statement of Proposal for Consultation.

The Group Manager – Customer Services and Environmental & Regulatory Services Leader expanded verbally on the business paper and answered Members' questions.

**Resolution**

- 1 The business paper on the Draft Dog Control Policy 2015 and Dog Control Bylaw 2015 be received.
- 2 Council determine that the Draft Dog Control Policy 2015 and Dog Control Bylaw 2015 are the most appropriate form of policy and bylaw.
- 3 Council determine that the Draft Dog Control Bylaw 2015 does not give rise to implications under the New Zealand Bill of Rights Act 1990.
- 4 Council adopt the Statement of Proposal (including a Summary of Information, Submission Form, Draft Dog Control Policy 2015, Draft Dog Control Bylaw 2015) to commence public consultation.
- 5 Discussion Sessions be convened on Wednesday 14 October at 10.30am and Wednesday 21 October at 5.30pm at Railway Building 3 if it is available.

Brodie/Whitaker          Carried

|   |                     |
|---|---------------------|
| <b>28. Setting Fees for Functions under the Food Act 2014</b> | <b>File 335/004</b> |
|---|---------------------|

Council considered a business paper presenting the draft Fees for Functions under the Food Act 2014 and Statement of Proposal for Consultation.

The Group Manager – Customer Services and Environmental & Regulatory Services Leader expanded verbally on the business paper and answered Members' questions.

**Resolution**

- 1 The business paper on the Setting of Fees for Functions under the Food Act 2014 be received.
- 2 Council adopt the Statement of Proposal (including the draft Fee Structure for Functions under the Food Act 2014 and Submission Form) to commence public consultation.

Smith/Davey          Carried

**29. Motion to Exclude the Public for the consideration of:**

**File 037/043**

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 Higgie, Executive Assistant  
John De Luca, Group Manager – Community Services  
Christiaan van Rooyen, Group Manager – Assets  
Helen Beever, Group Manager – Customer Services
- 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:

| <b>General Subject of each matter to be considered</b>                         | <b>Reason for passing this resolution in relation to each matter</b>   | <b>Section 48(1) grounds for this resolution</b> |
|--|--|--|
| 1. Progress Report: Health and Safety  | 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)   |
| 2. Progress Report: Development of Digital Enablement 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)   |
| 3. Progress Report: Regulatory Update  | 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. 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)   |
| 5. Progress Report: WMF Work Streams – Waikato 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)   |
| 6. Progress Report: WMF Work Streams – and Regional Shared Service Initiatives | 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)   |
| 7. Progress Report: Te Kuiti Meat Processors Ltd – Trade Waste Charges         | 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.

Brodie/Whitaker                      Carried

The Environmental & Regulatory Services Leader left the meeting at 2.28pm.

There being no further business the meeting closed at 3.35pm.

Dated this 28<sup>th</sup> day of October 2015.

BRIAN HANNA  
**MAYOR**

**WAITOMO DISTRICT COUNCIL  
PUBLIC EXCLUDED MINUTES****29 SEPTEMBER 2015****1. Progress Report: Health and Safety** **File 215/010A**

Council considered a business paper providing a brief on WDC Health and Safety systems and processes.

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

**Resolution**

The Progress Report: Health and Safety Systems be received.

Goddard/Te Kanawa Carried

**2. Progress Report: Development of Digital Enablement Plan** **File 400/503A**

Council considered a business paper providing an update on the development of a Digital Enablement Plan to support potential improvements in digital connectivity.

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

Council commended staff on the quality of the Digital Enablement Plan.

**Resolution**

The Progress Report: Digital Enablement Plan Development be received.

Brodie/Goddard Carried

**3. Progress Report: Regulatory Update** **File 097/001E**

Council considered a business paper providing an update on the Regulatory portfolio.

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

**Resolution**

- 1 The Progress Report: Regulatory Update be received.
- 2 Further investigation be undertaken to correct the legalities of the ablution black at the rear of the Coin Saver Shop in Rora Street.

Brodie/Te Kanawa Carried

The Group Manager – Customer Services and Environmental & Regulatory Services Leader left the meeting at 2.49pm.

|  |                          |
|--|--------------------------|
| <b>4. Retirement Housing Proposal – Te Kuiti</b> | <b>File 401/Parkside</b> |
|--|--------------------------|

Council considered a business paper seeking approval in principle to further explore the option of incorporating a retirement housing complex into the Parkside Subdivision and to outline the issues which will need to be worked through if such a development is to proceed.

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

**Resolution**

The Progress Report: Retirement Housing Proposal – Te Kuiti be received.

Brodie/Goddard Carried

|  |                     |
|--|---------------------|
| <b>5. Progress Report: WMF Work Streams – Waikato Plan</b> | <b>File 225/009</b> |
|--|---------------------|

Council considered a business paper providing an update on progression of the Waikato WMF Waikato Spatial Plan Work Stream.

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

**Resolution**

The Progress Report: Waikato Mayoral Forum Work Streams – Waikato Spatial Plan be received.

Goddard/Whitaker Carried

|   |                     |
|---|---------------------|
| <b>6. Progress Report: WMF Work Streams – and Regional Shared Service Initiatives</b> | <b>File 225/009</b> |
|---|---------------------|

Council considered a business paper providing an update on progression of the Waikato Mayoral Forum (WMF) Work Streams and other Regional Shared Service Initiatives pursuant to Council's Road Map Work Programme adopted on 27 August 2013.

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

**Resolution**

The Progress Report: Waikato Mayoral Forum Work Streams and Regional Shared Service Initiatives be received.

Davey/Smith Carried

**7. Progress Report: Te Kuiti Meat Processors Ltd File 505/504/TW17101  
– Trade Waste Charges**

Council considered a business paper providing an update on progress towards resolving the failure of Te Kuiti Meat Processors Ltd to comply with its Controlled Trade Waste Discharge Consent dated 30 June 2011 and signed 5 July 2011, and Te Kuiti Meat Processors Ltd's refusal to pay the resultant exceedance charges.

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

The Chief Executive advised that Council's guidance is required as to how it wishes to proceed with this matter.

The Chief Executive advised that legal advice has been sought as to the most effective means of collecting the debt.

Council agreed that Te Kuiti Meat Processors Ltd be advised that Council has no interest in renegotiating the Agreement and the conditions of the Agreement are binding.

**Resolution**

The Progress Report: Te Kuiti Meat Processors Ltd – Trade Waste Charges be received.

Te Kanawa/Davey

Carried

**Document No: 372132****File No: 037/054A****Report To: Council****Meeting Date:** 28 October 2015**Subject:** **Dog Control Policy and Practices for the period 1 July 2014 to 30 June 2015**

### **Purpose of Report**

- 1.1 The purpose of this business paper is to provide Council with a report on the administration of Dog Control Policy and Practices for the period 1 July 2014 to 30 June 2015.

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

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

### **Background**

- 3.1 The Dog Control Act 1996 requires all Councils to report annually on their Dog Control Policy and Practices.
- 3.2 The purpose of the report is to provide a publicly available summary of the discharge of dog control responsibilities.
- 3.3 The report sets out a range of statistics to provide an indication of the makeup of the District's dog population and an indication of the local administration of the provisions and responsibilities of the Dog Control Act.
- 3.4 The Act requires that public notice be given of the report in a local newspaper and that the report be made available by any other means the Council considers appropriate e.g. Council website.
- 3.5 The report must be forwarded to the Secretary for Local Government within one month of it being adopted.

### **Commentary**

- 4.1 The Waitomo District Council Dog Control Policy and Practices Report for 2014/2015 is attached to and forms part of this business paper.

4.2 The report is a formal report which must by statute cover specified issues.

**Suggested Resolutions**

- 1 The business paper on Dog Control Policy and Practices Report for the 2014/2015 financial year be received.
- 2 The Waitomo Dog Control Policy and Practices Report for 2014/2015 be adopted pursuant to Section 10A of the Dog Control Act 1996.



ELSA DU TOIT  
**ENVIRONMENTAL AND REGULATORY SERVICES LEADER**

September 2015

Attachment: 1 Waitomo Dog Control Policy and Practices Report 2014/2015  
(Doc 372141)

## WAITOMO DISTRICT COUNCIL

### Dog Control Policy and Practices Report for 2014/2015

#### Introduction

This is Waitomo District Council's report on Council's Dog Control Policy and Practices for the period 1 July 2014 to 30 June 2015, as required by section 10A of the Dog Control Act 1996.

#### Background

The Dog Control Act 1996 ("the Act") requires all territorial authorities to report annually to central government on their Dog Control Policy and Practices.

The format of the report follows that prescribed by the Secretary for Local Government, Department of Internal Affairs.

#### Implementation of Dog Control Policy

The total number of active dogs on Waitomo District Council's dog register at the end of the 2014/15 registration year was 3698.

Regular contact has been maintained with dog owners via the Animal Control Officer's Facebook page, public notices, flyers and regular articles in the Waitomo Way and the Waitomo News to promote high standards of dog care.

Waitomo District Council's policy for dogs to be kept on a leash in public places is mostly being adhered to. New signage has been installed in exercise areas and prohibited areas to remind dog owners and the general public of WDC's requirement.

The Act requires Waitomo District Council to review dog registration and impoundment fees annually and set the fees by Council resolution. Owners who neuter their dogs and those who adhere to conditions set out in WDC's special ownership scheme are offered discounted registration fees as an incentive to encourage responsible ownership.

WDC's Dog Control Policy requires the inspection of properties of all urban dog owners. Such visits allow an Animal Control Officer to check if new dogs have been acquired and that dogs are being well looked after and adequately kennelled. Similar inspections are carried out in the rural area with 10% of dog owners properties inspected.

There are currently no dogs classified as dangerous in the Waitomo District and 16 dogs that are classified as menacing.

The statistics confirm evidence that roaming dogs, particularly in urban environments, are a continuing problem. Routine and frequent patrols in urban areas are undertaken in order to ensure that the nuisance of roaming dogs is kept to a minimum.

The provisions in the Act which allow an Animal Control Officer to remove a barking dog from a property in the owners absence has been a useful tool for dealing with persistent barking dogs.

WDC maintains a zero tolerance policy in circumstances where a dog attacks people or other animals. When incidents of this nature occur the offending dog owner is encouraged to give his or her dog over for destruction. This procedure has proved to be a useful tool in removing aggressive dogs from the local dog population.

For the 2014/15 financial year Waitomo District Council delivered all dog registration and animal control services across the District.

The Waitomo District Council Dog Control Policy and Bylaw continue in force, and both are proving effective. A review of these documents commenced in September 2015. The revised Policy and Bylaw are scheduled for adoption by Council in December 2015.

WDC will ensure that owner education becomes a priority in the ongoing delivery of the District's dog control services.

A handwritten signature in blue ink, appearing to read 'Elsa Du Toit', is positioned above the typed name.

ELSA DU TOIT  
**ENVIRONMENTAL AND REGULATORY SERVICES LEADER**

## Dog Control Statistics 2014/2015

| Registration Statistics       | 2014/15 | 2013/14 |
|-------------------------------|---------|---------|
| Number of registered dogs     | 3,698   | 4,021   |
| Number of probationary owners | 0       | 0       |
| Number of disqualified owners | 0       | 0       |

| Number of Dogs Classified as Dangerous under Section 31 Dog Control Act 1996 | 2014/15 | 2013/14 |
|--|---------|---------|
| Sec 31 1 (a) due to owners conviction  | 0       | 0       |
| Sec 31 1 (b) due to sworn evidence   | 0       | 0       |
| Sec 31 1 (c) due to owners admittance  | 0       | 0       |

| Number of Dogs Classified as Menacing under Section 33A | 2014/15 | 2013/14 |
|---|---------|---------|
| Sec 33A (b) (i)   | 2       | 1       |
| Sec 33A (b) (ii)  | 5       | 27      |

| Number of Dogs Classified as Menacing under Section 33C | 2014/15 | 2013/14 |
|---|---------|---------|
| Dogs belonging to a Schedule 4 type or breed            | 9       | 27      |

| Infringement Notices                         | 2014/15 | 2013/14 |
|--|---------|---------|
| Number of infringement notices issued        | 20      | 24      |
| Number of infringement notices cancelled     | 0       | 1       |
| Number of infringement notices sent to court | 14      | 23      |

| Number of Dog Related Complaints       | 2014/15    | 2013/14    |
|--|------------|------------|
| Total Number of Dog Related Complaints | <b>670</b> | <b>317</b> |
| After hours                            | 187        | 45         |
| Barking                                | 50         | 90         |
| Roaming                                | 348        | 140        |
| Rushing/biting                         | 6          | 3          |
| Stock attacks                          | 18         | 11         |
| Domestic attacks                       | 17         | 8          |
| Fouling                                | 12         | 5          |
| Care                                   | 32         | 15         |

| Number of Dogs Impounded | 2014/15 | 2013/14 |
|--------------------------|---------|---------|
| Impounded Dogs           | 148     | 151     |

**Document No:** 377405**File No:** 401/0588424200**Report To: Council****Meeting Date** 28 October 2015**Subject:** Renaming and Rebranding of the Waitomo Arts & Cultural Centre

### **Purpose of Report**

- 1.1 The purpose of this business paper is to discuss with Council options for implementation of the renaming and rebranding of the Waitomo Arts & Cultural Centre.

### **Background**

- 2.1 Following the passing of Les Munro and discussions with the family, WDC made the offer to rename the Waitomo Arts & Cultural Centre to the Les Munro Centre.
- 2.2 An example of the possible renaming option will be presented to the Council meeting for discussion.

### **Suggested Resolution**

The business paper: Renaming and Rebranding of the Waitomo Arts & Cultural Centre be received

A handwritten signature in blue ink, appearing to read "John De Luca".

JOHN DE LUCA  
**GROUP MANAGER COMMUNITY SERVICES**

28 October 2015

|   |  |
|---|--|
| <b>Document No:</b> 377338  | <b>File No:</b> 100/018B   |
| <b>Report To: Council</b>   |  |
|  | <b>Meeting Date:</b> 28 October 2015<br><br><b>Subject:</b> <b>Quarterly Financial and Non Financial Report for the period ended 30 September 2015</b> |

### **Purpose of Report**

- 1.1 The purpose of this business paper is to present the quarterly Financial and Non Financial Report for the period ended 30 September 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 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.
- 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.
- 3.4 As the Annual Report for 2014/15 year is still being finalised at the time of writing this report the June 2015 comparatives contained in this report could vary at the end of the Annual Report finalisation process.

### **Background**

- 4.1 The period covered by this report is 1 July 2015 to 30 September 2015.
- 4.2 The order of the report is as follows:

- **Summary Income Statement** with comments detailing significant variances to Exceptions Annual Plan 2015/16 on Council's operating performance for the period ended 30 September 2015.
- **Summary Balance Sheet** with comments detailing significant balance sheet movements from 1 July 2015 to 30 September 2015.
- **Capital Expenditure** summary with commentary on material variances of expenditure for the period compared with the Exceptions Annual Plan 2015/16.
- **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 30 September 2015 is presented in **Appendix 2**.
- **Treasury Management Report** from Bancorp Treasury Services Limited (BTSL), Council's treasury management advisors is presented in **Appendix 3**.
- **Performance Management Report** on Levels of Service and Key Performance Indicators **Appendix 4**

4.3 All figures in the tables, except percentages, are expressed in thousands of dollars (\$000s).

## Financial Report to 30 September 2015

### 5.1 INCOME STATEMENT HIGHLIGHTS

5.2 Set out below is the summary of financial information for the period to 30 September 2015. Detailed Cost of Service Statements are attached as **Appendix 1**.

| FINANCIAL HIGHLIGHTS<br>(Amounts in \$1000's)        | Actual<br>2014/15 | EAP<br>Budget<br>2015/16 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|--|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Total Expenditure</b>                             |                   |                          |                               |                               |                          |               |
| - Direct Operating                                   | 12,187            | 13,926                   | 3,185                         | 3,115                         | (70)                     |               |
| - Indirect Operating                                 | 12,341            | 12,868                   | 3,023                         | 2,784                         | (239)                    |               |
| <b>Total Expenditure</b>                             | <b>24,528</b>     | <b>26,794</b>            | <b>6,208</b>                  | <b>5,899</b>                  | <b>(309)</b>             | <b>-5%</b>    |
| <b>Total Revenue</b>                                 |                   |                          |                               |                               |                          |               |
| - Operating Revenue                                  | (12,223)          | (11,391)                 | (1,918)                       | (1,835)                       | 83                       |               |
| - Rates Revenue                                      | (17,484)          | (18,305)                 | (4,577)                       | (4,854)                       | (277)                    |               |
| <b>Total Revenue</b>                                 | <b>(29,707)</b>   | <b>(29,696)</b>          | <b>(6,495)</b>                | <b>(6,689)</b>                | <b>(194)</b>             | <b>3%</b>     |
| <b>Net Operating Cost/(Surplus)</b>                  | <b>(5,179)</b>    | <b>(2,902)</b>           | <b>(287)</b>                  | <b>(790)</b>                  | <b>(503)</b>             | <b>175%</b>   |
| <b>Other Comprehensive Revenue and Expense</b>       |                   |                          |                               |                               |                          |               |
| - Revaluation of Property, plant and equipment       | (6,108)           | 0                        | 0                             | 0                             | 0                        |               |
| - Gains/Losses from Cash Flow Hedges                 | 1,089             | 0                        | 0                             | 0                             | 0                        |               |
| <b>Total Other Comprehensive Revenue and Expense</b> | <b>(5,019)</b>    | <b>0</b>                 | <b>0</b>                      | <b>0</b>                      | <b>0</b>                 |               |
| <b>Total Comprehensive Revenue and Expense</b>       | <b>(10,198)</b>   | <b>(2,902)</b>           | <b>(287)</b>                  | <b>(790)</b>                  | <b>(503)</b>             | <b>175%</b>   |

5.3 **Net Operating Surplus:** The net operating surplus of \$790,000 was \$503,000 more than budget for the quarter ended 30 September 2015.

5.4 **Operating Expenditure** was 5% (\$309,000) less than budget forecast for the period ended 30 September 2015.

- **Direct Operational expenditure** was \$70,000 less than budget. The main contributors to this variance in order of magnitude are:
  - Water Supply: \$112,000 more than budget due to additional contractor costs required for health and safety reasons, supervision and safety inspections. There has been additional expenditure associated with the upgrade of the Te Kuiti water treatment plant.
  - Roads and Footpaths: \$106,000 less than budget due to the weather conditions and planning work being carried out with the new contractor.
  - Community Services: \$48,000 less than budget due to repairs and maintenance budgets not being spent as yet. These are carried out on an as required basis through the year.
- **Indirect expenditure** was \$239,000 less than budget for the following reasons:
  - **External Interest**: \$172,000 less than forecast. The first reason for this is that the budget assumed interest rate of 6.25% while the weighted average interest rate applicable during the period was around 4.81% The other reason was that the budgeted interest cost was based on 1 July 2015 projected public debt of \$47.7 million while the actual public debt at that date was \$46.1 million.
  - **Depreciation**: \$43,000 less than forecast due to a variance in capital works in 2014/15 (on which depreciation was based) from forecasts.

5.5 **Total Revenue** was \$194,000 more than forecast for the period ended 30 September 2015.

- **Operating Revenue** was \$83,000 less than forecast. The main contributors to this variance are:
  - Roads and Footpaths: \$83,000 less than forecast due to less than budgeted works being completed and therefore lesser subsidies being received. It is expected that this will be made up as the year progresses.
  - Solid Waste Management: \$53,000 less than budgeted due to less than projected income from the Landfill.
  - Sewerage: \$52,000 more than forecast due to Trade Waste revenue.
- **Rates Revenue** was \$277,000 more than forecast due to the year end rates penalty (for rates unpaid from 2014/15) being charged in July.

## 6.1 **BALANCE SHEET HIGHLIGHTS**

6.2 Balance Sheet highlights presented below show the movement in Council's financial position from 30 June 2015 to 30 September 2015. The complete Balance Sheet is attached as **Appendix 2**.

| <b>BALANCE SHEET HIGHLIGHTS</b><br><b>(Amounts in \$1000's)</b> | <b>Actual<br/>Position<br/>30 June<br/>2015</b> | <b>Actual<br/>Position<br/>30 Sept<br/>2015</b> | <b>Movement<br/>from<br/>30 June<br/>2015</b> |
|---|---|---|---|
| <b>Assets</b>   |   |   |   |
| - Cash and cash equivalents                                     | 2,457   | 2,550   | 93  |
| - Receivables   | 5,561   | 4,340   | (1,221)                                       |
| - Other current assets  | 138   | 138   | 0   |
| - Other financial assets  | 3,388   | 3,388   | 0   |
| - Non-current assets  | 328,884   | 328,901   | 17  |
| - Derivative financial instruments                              | 153   | 153   | 0   |
| <b>TOTAL ASSETS</b>   | <b>340,581</b>                                  | <b>339,470</b>                                  | <b>(1,111)</b>                                |
| <b>Liabilities</b>  |   |   |   |
| - Other Liabilities   | 5,819   | 3,948   | (1,871)                                       |
| - Total Borrowings  | 46,139  | 46,109  | (30)  |
| - Derivative financial instruments                              | 1,013   | 1,013   | 0   |
| <b>Total Liabilities</b>  | <b>52,971</b>                                   | <b>51,070</b>                                   | <b>(1,901)</b>                                |
| <b>Public Equity</b>  |   |   |   |
| - Public Equity   | 287,610   | 288,400   | 790   |
| <b>TOTAL LIABILITIES AND EQUITY</b>                             | <b>340,581</b>                                  | <b>339,470</b>                                  | <b>(1,111)</b>                                |

**6.3 Total Assets** have decreased from \$340.5 million to \$339.3 million.

- Cash and cash equivalents have increased by \$93,000 from \$2,457,000 to \$2,550,000.
- Receivables decreased by \$1.22 million from \$5.56 million to \$4.34 million.
- Non-current assets have increased by \$17,000. The increase is due to the net effect of asset additions of \$1,381,000, less depreciation of \$1,363,000.

**6.4 Total Liabilities** have decreased from \$52.97 million to \$51.07 million.

- Other Liabilities decreased by \$1.87 million due to a general decrease in Payables at 30 September 2015.
- Total Borrowings decreased by \$30,000.

**6.5 Public Equity** increased from \$287,610,000 by \$790,000 which equals the total comprehensive revenue and expense for the period.

## **7.1 CAPITAL EXPENDITURE**

7.2 Set out below is the Capital Expenditure Budget for the period compared to actual expenditure for the period ended 30 September 2015.

| <b>CAPITAL EXPENDITURE SUMMARY</b><br><b>(Amounts in \$1000's)</b> | <b>EAP Budget<br/>2015/16</b> | <b>Actual<br/>YTD Sept<br/>2015</b> | <b>Variance<br/>2015/16</b> |
|--|-------------------------------|-------------------------------------|-----------------------------|
| <b>Community Service</b>   |                               |                                     |                             |
| - Parks and Reserves   | 207                           | 21                                  | (186)                       |
| - Housing and Other Property                                       | 237                           | 490                                 | 252                         |
| - Recreation and Culture   | 295                           | 51                                  | (244)                       |
| - Public Amenities   | 445                           | 116                                 | (330)                       |

|                                  |               |              |                 |
|----------------------------------|---------------|--------------|-----------------|
| <b>Community Development</b>     |               |              |                 |
| - District Development           | 47            | 0            | (47)            |
| <b>Regulation</b>                |               |              |                 |
| - Animal Control                 | 0             | 0            | 0               |
| <b>Solid Waste Management</b>    |               |              |                 |
| - Landfill Management            | 0             | 0            | 0               |
| <b>Stormwater</b>                |               |              |                 |
| - Te Kuiti Stormwater            | 345           | 0            | (345)           |
| - Rural Stormwater               | 5             | 0            | (5)             |
| <b>Sewerage</b>                  |               |              |                 |
| - Te Kuiti Sewerage              | 428           | 0            | (428)           |
| - Te Waitere Sewerage            | 14            | 0            | (14)            |
| - Benneydale Sewerage            | 35            | 0            | (35)            |
| - Piopio Sewerage                | 53            | 0            | (53)            |
| <b>Water Supply</b>              |               |              |                 |
| - Te Kuiti Water                 | 5,306         | 292          | (5,015)         |
| - Mokau Water                    | 171           | 37           | (134)           |
| - Piopio Water                   | 34            | 13           | (21)            |
| - Benneydale Water               | 3             | 0            | (3)             |
| <b>Roads and Footpaths</b>       |               |              |                 |
| - Subsidised Roads               | 5,500         | 292          | (5,208)         |
| - Non subsidised Roads           | 315           | 18           | (297)           |
| <b>Corporate Support</b>         |               |              |                 |
| - Corporate Support              | 446           | 51           | (394)           |
| - Internal Services Unit         | 15            | 0            | (15)            |
| <b>TOTAL CAPITAL EXPENDITURE</b> | <b>13,900</b> | <b>1,380</b> | <b>(12,520)</b> |

7.3 **Capital Expenditure** was \$1,380,000 for the period ended 30 September 2015, of which \$678,000 (49%) related to Community Service, \$310,000 (23%) related to Roads and \$322,000 (23%) related to Water Supply.

#### 7.4 Community Services

Housing and Other Property: The significant capital expenditure areas were –

- \$135,000 for the completion of redevelopment of the upstairs floor of 28 Taupiri Street building to be used by the Te Kuiti Community House Trust as tenants. This redevelopment was officially opened on 9 October 2015.
- \$221,890 for the Railway Stations Buildings Projects; development of the Commercial space.
- Purchase of 47 Te Kumi Road property for future development for \$116,000.

Public Amenities: \$113,000 for Piopio Toilet development.

#### 7.5 Water Supply

- \$282,900 is related to the TK Water Treatment Plant development.
- \$32,000 of Raw Water Storage Dams and Reticulation renewal works in Mokau.
- Tui Street main link development and reticulation renewals in Piopio.

## 7.6 Roads and Footpaths

7.7 The main areas of capital works (\$264,000) was in Subsidised Roothing and were renewals related to Unsealed roads metaling, Drainage renewals, Pavement rehabilitation and Traffic services.

## 8.0 TREASURY REPORT

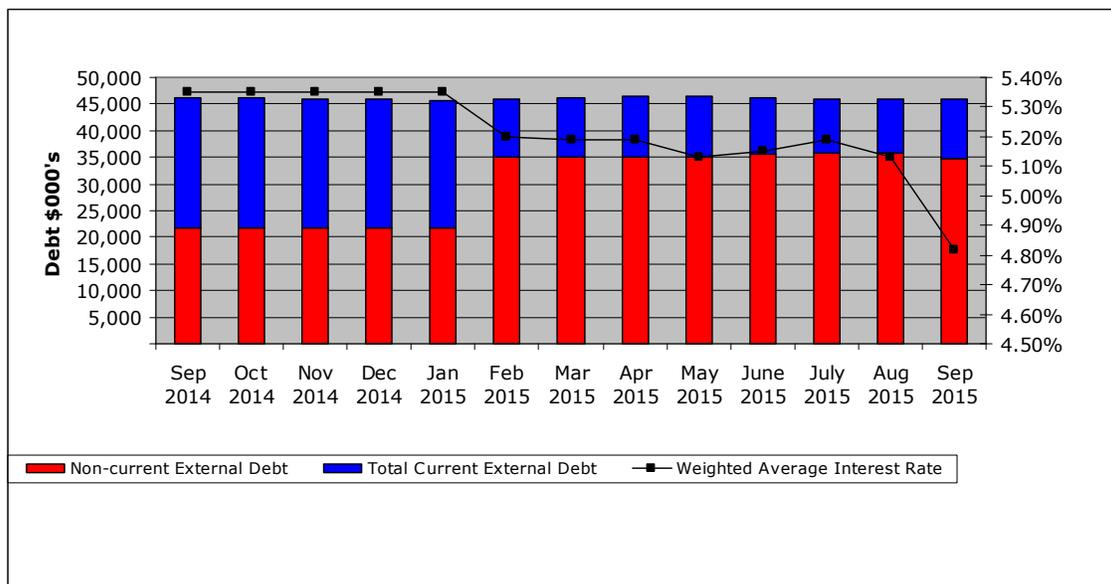
8.1 Set out below is the Treasury Report which provides more information on Council's public debt position and debt financing costs.

### 8.2 Cash Position

8.3 Council's cash position at 30 September 2015 was \$2.55 million in funds. At the 30 September 2014 balance date the cash balance was \$955,000.

### 8.4 Summary of Public Debt Position

8.5 Set out below is a chart recording trends in Council's current and non-current debt for the period ended September 2015. The trend line overlaid is the effective weighted average interest rate currently being paid on all loans.



8.6 At 30 September 2015 the effective weighted average interest rate for all loans excluding finance leases and accrued interest was 4.81%. At 30 June 2015 it was 5.31%.

8.7 The reason for the decrease in weighted average interest rate between June and September was the refinancing of a Floating Rate Note, where the credit margin reduced from 2.30% to 0.52% and the associated interest rate swap with a fixed rate of 4.36% expired, leaving the new FRN on a floating interest rate of 2.92% (giving total interest of 3.52%); a decline in the 90 day bank bill rate which resulted in the floating portion of WDC's debt being rolled over at lower rates and decline in the interest rate negotiated for the Inframax loan.

## 8.8 Public Debt Position Comparison to Budgets

8.9 Forecasted public debt at 30 June 2016 as per the Long Term Plan 2015-25 is expected to be \$52,834,000. Actual Public debt was \$46,109,000 at 30 September 2015.

## 8.10 Wholesale Advance Facilities (Term Advance and Call Advance Facilities)

8.11 The Term Advance and Call Advance Facilities is a Westpac credit facility (to the value of \$25,000,000) which forms part of Council's debt funding mix and providing working capital requirements over the period. A total of \$19,000,000 was drawn against this facility at 30 September 2015, leaving available lines of credit of \$6,000,000.

8.12 A Line of Credit fee of 0.30% (\$75,000 p.a.) of the facility balance applies to this credit facility.

8.13 This facility is used to finance capital expenditure prior to a loan draw down, (such as a Floating Rate Note or Term Advance) or to meet Council's working capital requirements between each of the quarterly rates instalments.

## 8.14 Details of Loan Portfolio

8.15 The following table records the public debt position and the key terms and conditions for each loan as at 30 September 2015. The classification of current and non-current loans is based on current loans being those that are due for refinancing or repayment within 12 months of the balance sheet date.

|  | Loan Start Date | Loan Maturity Date | Effective Interest Reprice Date | Loan Balance      | Effective Interest Rate |
|--|-----------------|--------------------|---------------------------------|-------------------|-------------------------|
| <b>Current Loans</b>                                 |                 |                    |                                 |                   |                         |
| Finance Leases                                       |                 |                    |                                 | 35,263            | 0.00%                   |
| Accrued Interest                                     |                 |                    |                                 | 287,297           | 0.00%                   |
| Call Advance   |                 | 1/07/2017          |                                 | 0                 | 4.05%                   |
| Floating Rate Notes (Unhedged)                       | 9/11/2012       | 9/11/2015          | 9/11/2015                       | 5,000,000         | 4.10%                   |
| Floating Rate Notes (\$5M Hedged \$1M Floating, ICL) | 30/08/2013      | 30/08/2016         | 31/08/2015                      | 6,000,000         | 4.54%                   |
| <b>Total Current Loans</b>                           |                 |                    |                                 | <b>11,322,560</b> |                         |
| <b>Non-current Loans</b>                             |                 |                    |                                 |                   |                         |
| Finance Leases                                       |                 |                    |                                 | 36,079            | 0.00%                   |
| Westpac Term Loan (ICL)                              | 24/11/2011      | 24/11/2017         | 16/11/2015                      | 750,000           | 6.00%                   |
| Floating Rate Notes (Hedged)                         | 18/04/2012      | 18/04/2017         | 20/04/2020                      | 5,000,000         | 5.82%                   |
| Floating Rate Notes (Unhedged)                       | 6/08/2014       | 6/08/2017          | 6/11/2015                       | 5,000,000         | 3.52%                   |
| Floating Rate Notes (Hedged)                         | 24/08/2015      | 31/08/2018         | 24/11/2015                      | 5,000,000         | 3.44%                   |
| Term Advance (Hedged)                                |                 | 1/07/2017          | 17/05/2021                      | 6,000,000         | 5.70%                   |
| Term Advance (Hedged)                                |                 | 1/07/2017          | 20/04/2020                      | 3,000,000         | 5.12%                   |
| Term Advance (Hedged)                                |                 | 1/07/2017          | 11/09/2017                      | 5,000,000         | 4.68%                   |
| Term Advance (Hedged)                                | 21/01/2014      | 1/07/2017          | 24/01/2017                      | 5,000,000         | 4.75%                   |
| <b>Total Non-current Loans</b>                       |                 |                    |                                 | <b>34,786,079</b> |                         |
| <b>Total Public Debt</b>                             |                 |                    |                                 | <b>46,108,639</b> | <b>4.65%</b>            |

**Cash & Liquid Investments**

|  |                  |
|--|------------------|
| Cash                                       | 2,549,586        |
| <b>Total Cash &amp; Liquid Investments</b> | <b>2,549,586</b> |

|                                       |                   |
|---------------------------------------|-------------------|
| <b>Public Debt Net of Investments</b> | <b>43,559,053</b> |
|---------------------------------------|-------------------|

- 8.16 Total public debt was \$46,108,639 and cash assets were \$2,549,586 at 30 September 2015 giving a net debt position of \$43,559,053.
- 8.17 On the 24 August 2015 a Floating Rate Note was issued for three periods with an interest rate margin of 0.52% over the BKBM (inter bank market float) floating rate. The initial rate set was 3.44%. This note refinances a matured Floating Rate Note which had an interest rate margin of 2.30%. This refinanced debt was previously hedged at an effective interest rate of 6.66%, however the new debt is on floating interest.
- 8.18 Two forward starting swaps with a notional amounts totaling \$5,000,000 and \$3,000,000; fixed interest rates of 3.78% and 3.95%; terms of three years and six years and start dates of September 2017 and April 2017, respectively were executed. These were to bring interest rate cover within treasury policy limits, with the timing to take advantage of low long term interest rates.

**8.19 Treasury Events since 30 September 2015**

- 8.20 This treasury report portrays the debt position of Council at the 30 September 2015. Since that date there have been no significant treasury management events taking place.

**8.21 Interest Costs**

- 8.22 The total actual interest paid to lenders for the quarter was \$580,000 against the budget for the period of \$752,000; \$172,000 (or 23%) less. Interest paid as a portion of total revenue is 8.7%; Council's Treasury Policy requires this amount does not exceed 15%.

**8.23 Financial Derivatives and Hedge Accounting**

- 8.24 Included in the balance sheet are valuation amounts for Derivative Financial Instruments (interest rate swaps). The valuation amount is componentised into current and non-current assets and liabilities held at balance date. At 30 June 2015 the value of swaps was a total net liability of \$860,000. At 30 September 2015 their net value was a liability of \$1,540,000. The decrease in value is due to additional forward starting swaps being executed.

**9.0 RECEIVABLES**

- 9.1 Set out below is summary of Receivables (i.e. unpaid rates and other debtor amounts owing) as at 30 September 2015 with comparatives from last year. Rates receivables exclude rates paid in advance which give a more accurate picture of the receivables owing.

| <b>Receivables</b>                    | <b>As at<br/>30 Sept<br/>2014</b> | <b>As at<br/>30 Sept<br/>2015</b> | <b>Inc/(Dec)<br/>\$</b> | <b>Inc/(Dec)<br/>%</b> |
|---------------------------------------|-----------------------------------|-----------------------------------|-------------------------|------------------------|
| <b>(Amounts in \$000's)</b>           |                                   |                                   |                         |                        |
| Rates Receivable                      | 2,803                             | 2,783                             | (20)                    | -1%                    |
| Rates Penalties                       | 1,514                             | 1,627                             | 113                     | 7%                     |
| <b>Rates and Penalties Receivable</b> | <b>4,317</b>                      | <b>4,409</b>                      | <b>92</b>               | <b>2%</b>              |

|                                   |              |              |              |             |
|-----------------------------------|--------------|--------------|--------------|-------------|
| NZ Transport Agency               | 833          | 245          | (588)        | -71%        |
| Ministry of Health Subsidy        | 772          | 0            | (772)        | -100%       |
| Extraordinary Water Charges       | 52           | 47           | (5)          | -10%        |
| Prepaid Expenses                  | 13           | 6            | (7)          | -54%        |
| Other Debtors Receivables         | 513          | 1,240        | 727          | 142%        |
| <b>Other Receivables</b>          | <b>2,183</b> | <b>1,538</b> | <b>(645)</b> | <b>-30%</b> |
| <b>Gross Receivables</b>          | <b>6,500</b> | <b>5,947</b> | <b>(553)</b> | <b>-9%</b>  |
| Less Provision for Doubtful Debts | (1,636)      | (1,608)      | 28           | -2%         |
| <b>Total Receivables</b>          | <b>4,864</b> | <b>4,340</b> | <b>(524)</b> | <b>-11%</b> |

## 9.2 Rates and Penalties Receivable

### 9.3 Current year rates

9.4 At 30 September 2015, the first rates instalment was issued and was due and payable by August. The collection percentage on this instalment was 93% (2014: 93%).

### 9.5 Overall Rates Receivables

9.6 There was \$4,409,417 of rates outstanding at 30 September 2015 (2014: \$4,317,313). This amount excludes rates paid in advance on future instalments.

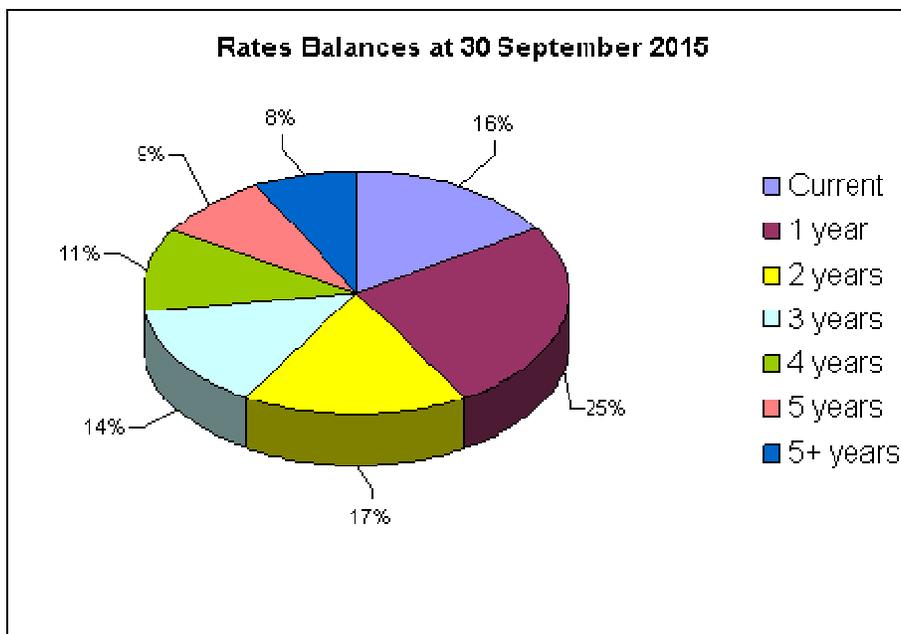
9.7 Rates and penalties receivable have increased by \$92,104 from 30 September 2014. Of this \$112,565 related to an increase of total penalties owing and there was a reduction of \$20,461 for rates arrears.

9.8 Included in the above are rates and rate penalties receivables outstanding on Maori freehold land which may be eligible for rates remission. A total of \$75,763 in rates and penalty remissions were granted against a full year budget of \$255,000.

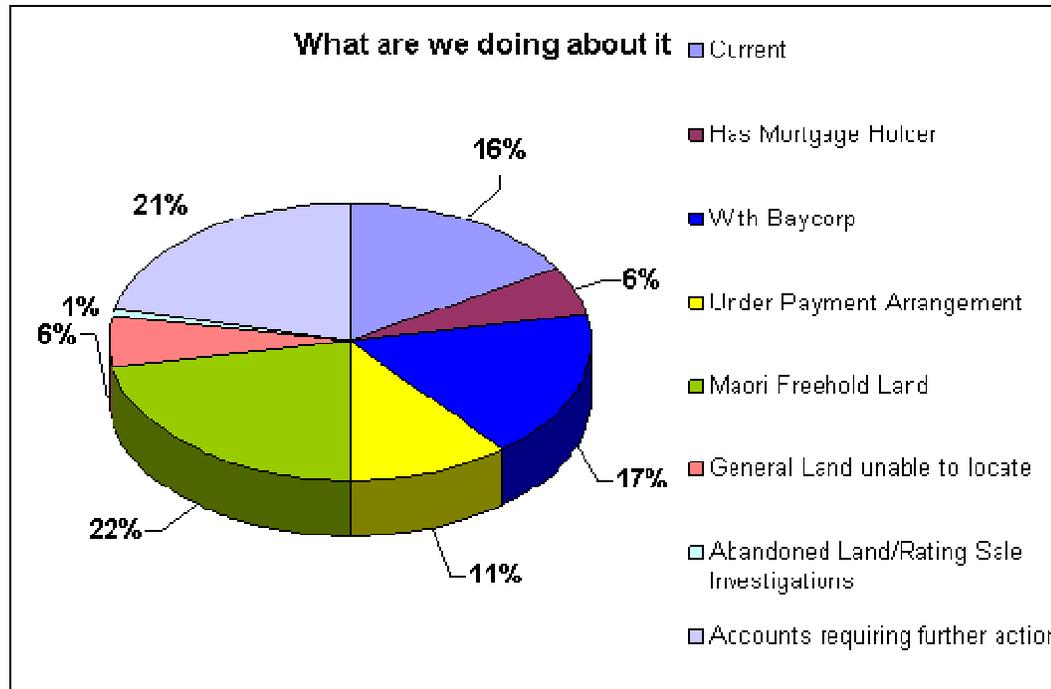
9.9 The majority of the rates remissions outstanding relate to Maori freehold land. These applications are processed on behalf of the owners by Council staff and the remaining rate remissions will be processed prior to June 2016.

9.10 The rates arrears and penalties, including those owing on Maori freehold land, are substantially recognised in the Provision for Doubtful Debts figure.

9.11 Of the outstanding balance of \$4,409,417, \$716,201 (16%) relates to current year, \$1,104,932 (25%) relates to 2014/2015 year rates and the balance spread across the remaining years in a diminishing fashion. The following graph illustrates the makeup of the rates receivable balance:



- 9.12 Included in the balance in the 5+ years category are arrears and penalties relating between 1995 and 2010 years. These balances have been retained in the rates ledger due to legal action having commenced on these properties via our external debt collection agency. The remainder of the balance relates to receivables which will be written off as statute barred rates if no legal action has commenced on these properties before 30 June 2016.
- 9.13 The outstanding balance of rates is being actively managed through a variety of collection methods including lump sum payment arrangements, approved payment arrangements and through an external debt collection agency. In the three months ended 30 September 2015 Council has reduced its arrears by \$280,188 of the \$3,973,404 (7%) that was outstanding at 30 June 2015.
- 9.14 The action being taken on outstanding balances is shown in the following graph:



- 9.15 Of the total arrears as at 30 September 2015, \$3,693,216 of rates arrears are non current, \$760,424 have been placed with an external debt agency, \$480,225 are under some form of repayment arrangement and \$968,844 relates to Maori freehold land (including some properties that will be eligible for rates remission).
- 9.16 184 properties totalling \$939,463 (21%) of outstanding arrears have been identified as accounts that require immediate focus for internal debt collection. Currently we are working on identifying the properties within this category that have mortgage holders. For the properties identified, the recovery of rates arrears will be pursued with the bank or financial institution that holds the mortgage over the property.
- 9.17 When the owner of a property is in default of the rates, the Local Government (Rating) Act 2002 allows for recovery of the rates arrears from persons with an interest in the rating unit. This includes the first mortgagee listed on that title. These are typically banks or lending institutions that hold a mortgage that is registered on the property. This recovery option is available for General Land properties.
- 9.18 As at 30 September there are 26 properties with rates arrears totalling \$248,119 (including penalties) that may be pursued via the mortgage holder. Formal letters addressing this were mailed out to these ratepayers in September. This resulted in 14 new formal rates payment arrangements being entered into and 3 customers clearing their arrears. For the remaining accounts the notice of recovery from the mortgage holder were sent out in October.
- 9.19 There are numerous general land properties which are classified as unknown. A ratepayer is flagged as unknown when mail has been returned without a forwarding address and we have been unable to locate the ratepayer through standard enquiries. The value of these outstanding rates arrears on general land totalled \$255,466.

## 9.20 Other Debtors Receivables

9.21 At 30 September 2015 Other Debtors Receivables totalled \$1,240,000 of which \$357,150 was due and owing for more than three months. The three month and over receivables includes trade waste debtors, dog infringements, water billing arrears and other sundry debtors.

|                             |
|-----------------------------|
| <b>Suggested Resolution</b> |
|-----------------------------|

1. The business paper on Quarterly Financial and Non Financial Report for the period ended 30 September 2015 be received.



VIBHUTI CHOPRA

**GROUP MANAGER – CORPORATE SERVICES**

- |            |  |
|------------|--|
| Appendix 1 | Cost of Service Statements for each significant group of activities  |
| Appendix 2 | Balance Sheet as at 30 September 2015  |
| Appendix 3 | Treasury Report for Waitomo District Council For the quarter ended 30 September 2015 (Bancorp Treasury Services Limited) |
| Appendix 4 | Performance Management Report on Levels of Service and Key Performance Indicators (377457)                               |

## Appendix 1: Combined Cost of Service Statements

| Summary Cost of Service<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|--|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Operating Expenditure</b>              |                   |                          |                               |                               |                          |               |
| - Leadership                                     | 759               | 764                      | 181                           | 180                           | (1)                      |               |
| - Community Service                              | 1,649             | 2,193                    | 535                           | 487                           | (48)                     |               |
| - Community Development                          | 837               | 692                      | 223                           | 214                           | (9)                      |               |
| - Regulation                                     | 104               | 182                      | 27                            | 17                            | (10)                     |               |
| - Solid Waste Management                         | 1,035             | 1,170                    | 262                           | 246                           | (16)                     |               |
| - Stormwater Drainage                            | 58                | 158                      | 57                            | 55                            | (2)                      |               |
| - Resource Management                            | 76                | 116                      | 10                            | 3                             | (7)                      |               |
| - Sewerage                                       | 1,381             | 1,634                    | 407                           | 424                           | 17                       |               |
| - Water Supply                                   | 1,331             | 1,455                    | 381                           | 493                           | 112                      |               |
| - Roads and Footpaths                            | 4,957             | 5,562                    | 1,102                         | 996                           | (106)                    |               |
| <b>Total Direct Operating Expenditure</b>        | <b>12,187</b>     | <b>13,926</b>            | <b>3,185</b>                  | <b>3,115</b>                  | <b>(70)</b>              | <b>-2%</b>    |
| <b>Indirect Expenditure</b>                      |                   |                          |                               |                               |                          |               |
| - Allocated Costs                                | 4,665             | 4,218                    | 863                           | 842                           | (21)                     |               |
| - Interest                                       | 2,523             | 3,009                    | 751                           | 579                           | (172)                    |               |
| - Depreciation                                   | 5,153             | 5,641                    | 1,409                         | 1,363                         | (46)                     |               |
| <b>Total Indirect Expenditure</b>                | <b>12,341</b>     | <b>12,868</b>            | <b>3,023</b>                  | <b>2,784</b>                  | <b>(239)</b>             | <b>-8%</b>    |
| <b>TOTAL EXPENDITURE</b>                         | <b>24,528</b>     | <b>26,794</b>            | <b>6,208</b>                  | <b>5,899</b>                  | <b>(309)</b>             | <b>-5%</b>    |
| <b>Operating Revenue</b>                         |                   |                          |                               |                               |                          |               |
| - Leadership                                     | (339)             | (160)                    | (36)                          | (35)                          | 1                        |               |
| - Community Service                              | (1,610)           | (509)                    | (90)                          | (101)                         | (11)                     |               |
| - Community Development                          | (120)             | (57)                     | (12)                          | (51)                          | (39)                     |               |
| - Regulation                                     | (430)             | (431)                    | (235)                         | (229)                         | 6                        |               |
| - Stormwater Drainage                            | (1)               | 0                        | 0                             | 0                             | 0                        |               |
| - Resource Management                            | (120)             | (80)                     | (20)                          | (13)                          | 7                        |               |
| - Solid Waste Management                         | (1,001)           | (995)                    | (248)                         | (195)                         | 53                       |               |
| - Sewerage                                       | (1,817)           | (828)                    | (206)                         | (258)                         | (52)                     |               |
| - Water Supply                                   | (783)             | (1,418)                  | (152)                         | (117)                         | 35                       |               |
| - Roads and Footpaths                            | (6,002)           | (6,913)                  | (919)                         | (836)                         | 83                       |               |
| <b>Total Operating Revenue</b>                   | <b>(12,223)</b>   | <b>(11,391)</b>          | <b>(1,918)</b>                | <b>(1,835)</b>                | <b>83</b>                | <b>-4%</b>    |
| <b>Rates Revenue</b>                             |                   |                          |                               |                               |                          |               |
| - General Rate                                   | (3,276)           | (3,434)                  | (858)                         | (861)                         | (3)                      |               |
| - UAGC   | (3,007)           | (3,158)                  | (790)                         | (788)                         | 2                        |               |
| - Targeted Rate                                  | (10,730)          | (11,303)                 | (2,826)                       | (2,823)                       | 3                        |               |
| - Rates Penalties                                | (471)             | (410)                    | (103)                         | (382)                         | (279)                    |               |
| <b>Total Rates Revenue</b>                       | <b>(17,484)</b>   | <b>(18,305)</b>          | <b>(4,577)</b>                | <b>(4,854)</b>                | <b>(277)</b>             | <b>6%</b>     |
| <b>TOTAL REVENUE</b>                             | <b>(29,707)</b>   | <b>(29,696)</b>          | <b>(6,495)</b>                | <b>(6,689)</b>                | <b>(194)</b>             | <b>3%</b>     |
| <b>Net Operating Cost/(Surplus)</b>              | <b>(5,179)</b>    | <b>(2,902)</b>           | <b>(287)</b>                  | <b>(790)</b>                  | <b>(503)</b>             | <b>175%</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>Actual</b>  | <b>EAP Budget</b> | <b>YTD Budget</b> | <b>YTD Actual</b> | <b>Variance</b>  | <b>%</b>        |
|---|----------------|-------------------|-------------------|-------------------|------------------|-----------------|
| <b>(Amounts in \$1000's)</b>                  | <b>2014/15</b> | <b>2014/15</b>    | <b>Sept 2015</b>  | <b>Sept 2015</b>  | <b>Sept 2015</b> | <b>Variance</b> |
| <b>Direct Expenditure</b>                     |                |                   |                   |                   |                  |                 |
| - Representation                              | 362            | 312               | 73                | 63                | (10)             |                 |
| - Planning & Policy & Monitoring              | 304            | 180               | 8                 | 21                | 13               |                 |
| - District and Urban Development              | 13             | 135               | 13                | 12                | (1)              |                 |
| - Investments                                 | 29             | 137               | 87                | 84                | (3)              |                 |
| - Treasury Management and Overhead Accounts   | 51             |                   |                   |                   |                  |                 |
| <b>Total Direct Expenditure</b>               | <b>759</b>     | <b>764</b>        | <b>181</b>        | <b>180</b>        | <b>(1)</b>       | <b>-1%</b>      |
| - Allocated Costs                             | 1,294          | 1,200             | 108               | 169               | 61               |                 |
| - Interest                                    | 471            | 454               | 113               | 91                | (22)             |                 |
| - Depreciation                                |                | 388               | 97                | 102               | 5                |                 |
| <b>Total Operating Expenditure</b>            | <b>2,524</b>   | <b>2,806</b>      | <b>499</b>        | <b>542</b>        | <b>43</b>        | <b>9%</b>       |
| <b>Operating Revenue</b>                      |                |                   |                   |                   |                  |                 |
| - Representation                              | (20)           | (68)              | (16)              | (17)              | (1)              |                 |
| - Investments                                 | (203)          | (92)              | (20)              | (18)              | 2                |                 |
| - Treasury Management and Overhead Accounts   | (116)          |                   |                   |                   |                  |                 |
| <b>Total Operating Revenue</b>                | <b>(339)</b>   | <b>(160)</b>      | <b>(36)</b>       | <b>(35)</b>       | <b>1</b>         | <b>-3%</b>      |
| <b>Net Operating Cost/(Surplus)</b>           | <b>2,185</b>   | <b>2,646</b>      | <b>463</b>        | <b>507</b>        | <b>44</b>        | <b>10%</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 10% (\$44,000) less than budget for the period ended 30 September 2015.

**Total Direct Expenditure** was 1% (\$1,000) less than budget for the period.

**Operating Revenue** was 3% (\$1,000) less than forecast for the period.

## Community Service

| <b>COMMUNITY SERVICE</b><br><b>(Amounts in \$1000's)</b> | <b>Actual</b><br><b>2014/15</b> | <b>EAP</b><br><b>Budget</b><br><b>2014/15</b> | <b>YTD</b><br><b>Budget</b><br><b>Sept</b><br><b>2015</b> | <b>YTD</b><br><b>Actual</b><br><b>Sept</b><br><b>2015</b> | <b>Variance</b><br><b>Sept</b><br><b>2015</b> | <b>%</b><br><b>Variance</b> |
|--|---------------------------------|---|---|---|---|-----------------------------|
| <b>Direct Expenditure</b>                                |                                 |   |   |   |   |                             |
| - Parks and Reserves                                     | 392                             | 554   | 131   | 117   | (14)  |                             |
| - Housing and Other Property                             | 190                             | 446   | 184   | 140   | (44)  |                             |
| - Recreation and Culture                                 | 436                             | 494   | 65  | 65  | 0   |                             |
| - Public Amenities                                       | 534                             | 564   | 139   | 151   | 12  |                             |
| - Safety   | 97                              | 135   | 16  | 14  | (2)   |                             |
| <b>Total Direct Expenditure</b>                          | <b>1,649</b>                    | <b>2,193</b>                                  | <b>535</b>  | <b>487</b>  | <b>(48)</b>                                   | <b>-9%</b>                  |
| - Allocated Costs  | 734                             | 861   | 215   | 176   | (39)  |                             |
| - Interest   | 83                              | 176   | 44  | 26  | (18)  |                             |
| - Depreciation   | 673                             | 759   | 190   | 192   | 2   |                             |
| <b>Total Operating Expenditure</b>                       | <b>3,139</b>                    | <b>3,989</b>                                  | <b>984</b>  | <b>881</b>  | <b>(103)</b>                                  | <b>-10%</b>                 |
| <b>Operating Revenue</b>                                 |                                 |   |   |   |   |                             |
| - Parks and Reserves                                     | (53)                            | (27)  | 0   | 1   | 1   |                             |
| - Housing and Other Property                             | (1,290)                         | (288)   | (55)  | (72)  | (17)  |                             |
| - Recreation and Culture                                 | (119)                           | (112)   | (23)  | (16)  | 7   |                             |
| - Public Amenities                                       | (139)                           | (82)  | (12)  | (14)  | (2)   |                             |
| - Safety   | (9)                             | 0   | 0   | 0   | 0   |                             |
| <b>Total Operating Revenue</b>                           | <b>(1,610)</b>                  | <b>(509)</b>                                  | <b>(90)</b>   | <b>(101)</b>  | <b>(11)</b>                                   | <b>12%</b>                  |
| <b>Net Operating Cost/(Surplus)</b>                      | <b>1,529</b>                    | <b>3,480</b>                                  | <b>894</b>  | <b>780</b>  | <b>(114)</b>                                  | <b>-13%</b>                 |

**Net Operating Cost** for the Community Service Activity was 13% (\$114,000) below budget for the period ended 30 September 2015.

**Direct Expenditure** was 9% (\$48,000) less than budget for the period due to repairs and maintenance budgets not being spent as yet. These are carried out on an as required basis through the year.

**Operating Revenue** was 12% (\$11,000) more than forecast for the period.

## Community Development

| COMMUNITY DEVELOPMENT<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|--|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Expenditure</b>                      |                   |                          |                               |                               |                          |               |
| - Community Support                            | 700               | 478                      | 189                           | 182                           | (7)                      |               |
| - District Development                         | 137               | 214                      | 34                            | 32                            | (2)                      |               |
| - Agencies                                     | 0                 | 1                        | 0                             | 0                             | 0                        |               |
| <b>Total Direct Expenditure</b>                | <b>837</b>        | <b>692</b>               | <b>223</b>                    | <b>214</b>                    | <b>(9)</b>               | <b>-4%</b>    |
| - Allocated Costs                              | 517               | 548                      | 137                           | 139                           | 2                        |               |
| - Interest                                     | 1                 | 1                        | 0                             | 0                             | 0                        |               |
| - Depreciation                                 | 5                 | 5                        | 1                             | 1                             | 0                        |               |
| <b>Total Expenditure</b>                       | <b>1,360</b>      | <b>1,246</b>             | <b>361</b>                    | <b>354</b>                    | <b>(7)</b>               | <b>-2%</b>    |
| <b>Operating Revenue</b>                       |                   |                          |                               |                               |                          |               |
| - Community Support                            | (55)              | (4)                      | (1)                           | (37)                          | (36)                     |               |
| - District Development                         | (43)              | (34)                     | (6)                           | (10)                          | (4)                      |               |
| - Agencies                                     | (22)              | (19)                     | (5)                           | (4)                           | 1                        |               |
| <b>Total Operating Revenue</b>                 | <b>(120)</b>      | <b>(57)</b>              | <b>(12)</b>                   | <b>(51)</b>                   | <b>(39)</b>              | <b>325%</b>   |
| <b>Net Operating Cost/(Surplus)</b>            | <b>1,240</b>      | <b>1,189</b>             | <b>349</b>                    | <b>303</b>                    | <b>(46)</b>              | <b>-13%</b>   |

**Net Operating Cost** for the Community Development Activity was 13% (\$46,000) less than budget for the period ended 30 September 2015.

**Direct Expenditure** was 4% (\$9,000) less than budget for the period.

**Operating Revenue** was \$39,000 more than forecast for the period.

## Regulation

| REGULATION<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|-------------------------------------|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Expenditure</b>           |                   |                          |                               |                               |                          |               |
| - Regulation                        | 104               | 182                      | 27                            | 17                            | (10)                     |               |
| <b>Total Direct Expenditure</b>     | <b>104</b>        | <b>182</b>               | <b>27</b>                     | <b>17</b>                     | <b>(10)</b>              | <b>-37%</b>   |
| - Allocated Costs                   | 576               | 682                      | 171                           | 167                           | (4)                      |               |
| - Interest                          | 2                 | 1                        | 0                             | 0                             | 0                        |               |
| - Depreciation                      | 2                 | 2                        | 0                             | 1                             | 1                        |               |
| <b>Total Expenditure</b>            | <b>684</b>        | <b>867</b>               | <b>198</b>                    | <b>185</b>                    | <b>(13)</b>              | <b>-7%</b>    |
| <b>Operating Revenue</b>            |                   |                          |                               |                               |                          |               |
| - Regulation                        | (430)             | (431)                    | (235)                         | (229)                         | 6                        |               |
| <b>Total Operating Revenue</b>      | <b>(430)</b>      | <b>(431)</b>             | <b>(235)</b>                  | <b>(229)</b>                  | <b>6</b>                 | <b>-3%</b>    |
| <b>Net Operating Cost/(Surplus)</b> | <b>254</b>        | <b>436</b>               | <b>(37)</b>                   | <b>(44)</b>                   | <b>(7)</b>               | <b>19%</b>    |

**Net Operating Cost** for the Regulation Activity was 7% (\$7,000) more than budget for the period ended 30 September 2015.

**Direct Expenditure** was 37% (\$10,000) less than budget for the period.

**Operating Revenue** was 3% (\$6,000) less than forecast for the period.

## Resource Management

| RESOURCE MANAGEMENT<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|--|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Expenditure</b>                    |                   |                          |                               |                               |                          |               |
| - District Plan Administration               | 76                | 116                      | 10                            | 3                             | (7)                      |               |
| <b>Total Direct Expenditure</b>              | <b>76</b>         | <b>116</b>               | <b>10</b>                     | <b>3</b>                      | <b>(7)</b>               | <b>-70%</b>   |
| - Allocated Costs                            | 92                | 123                      | 31                            | 31                            | 0                        |               |
| <b>Total Expenditure</b>                     | <b>168</b>        | <b>239</b>               | <b>41</b>                     | <b>34</b>                     | <b>(7)</b>               | <b>-17%</b>   |
| <b>Operating Revenue</b>                     |                   |                          |                               |                               |                          |               |
| - District Plan Administration               | (120)             | (80)                     | (20)                          | (13)                          | 7                        |               |
| <b>Total Operating Revenue</b>               | <b>(120)</b>      | <b>(80)</b>              | <b>(20)</b>                   | <b>(13)</b>                   | <b>7</b>                 | <b>-35%</b>   |
| <b>Net Operating Cost/(Surplus)</b>          | <b>48</b>         | <b>159</b>               | <b>21</b>                     | <b>21</b>                     | <b>0</b>                 | <b>0%</b>     |

**Net Operating Cost** for the Resource Management Activity was equal to budget forecast for the period ended 30 September 2015.

**Direct Expenditure** was 70% (\$7,000) less than budget for the period.

**Operating Revenue** was 35% (\$7,000) less than forecast for the period.

## Solid Waste Management

| SOLID WASTE MANAGEMENT<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|---|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Expenditure</b>                       |                   |                          |                               |                               |                          |               |
| - Collection                                    | 282               | 279                      | 70                            | 72                            | 2                        |               |
| - Landfill Management                           | 753               | 891                      | 192                           | 174                           | (18)                     |               |
| <b>Total Direct Expenditure</b>                 | <b>1,035</b>      | <b>1,170</b>             | <b>262</b>                    | <b>246</b>                    | <b>(16)</b>              | <b>-6%</b>    |
| - Allocated Costs                               | 296               | 340                      | 85                            | 70                            | (15)                     |               |
| - Interest                                      | 267               | 332                      | 83                            | 59                            | (24)                     |               |
| - Depreciation                                  | 91                | 114                      | 28                            | 17                            | (11)                     |               |
| <b>Total Expenditure</b>                        | <b>1,689</b>      | <b>1,956</b>             | <b>458</b>                    | <b>392</b>                    | <b>(66)</b>              | <b>-14%</b>   |
| <b>Operating Revenue</b>                        |                   |                          |                               |                               |                          |               |
| - Collection                                    | (136)             | (126)                    | (31)                          | (30)                          | 1                        |               |
| - Landfill Management                           | (865)             | (869)                    | (217)                         | (165)                         | 52                       |               |
| <b>Total Operating Revenue</b>                  | <b>(1,001)</b>    | <b>(995)</b>             | <b>(248)</b>                  | <b>(195)</b>                  | <b>53</b>                | <b>-21%</b>   |
| <b>Net Operating Cost/(Surplus)</b>             | <b>688</b>        | <b>961</b>               | <b>210</b>                    | <b>197</b>                    | <b>(13)</b>              | <b>-6%</b>    |

**Net Operating Cost** for the Solid Waste Management Activity was 6% (\$13,000) less than budget for the period ended 30 September 2015.

**Direct Expenditure** was 6% (\$16,000) less than budget for the period.

**Operating Revenue** was 21% (\$66,000) less than forecast for the period due to less than projected income from the Landfill.

## Stormwater Drainage

| STORMWATER DRAINAGE<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|--|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Expenditure</b>                    |                   |                          |                               |                               |                          |               |
| - Te Kuiti Stormwater                        | 53                | 133                      | 51                            | 51                            | 0                        |               |
| - Rural Stormwater                           | 5                 | 25                       | 6                             | 4                             | (2)                      |               |
| <b>Total Direct Expenditure</b>              | <b>58</b>         | <b>158</b>               | <b>57</b>                     | <b>55</b>                     | <b>(2)</b>               | <b>-4%</b>    |
| - Allocated Costs                            | 86                | 77                       | 19                            | 16                            | (3)                      |               |
| - Interest                                   | 6                 | 6                        | 1                             | 1                             | 0                        |               |
| - Depreciation                               | 174               | 181                      | 45                            | 44                            | (1)                      |               |
| <b>Total Expenditure</b>                     | <b>324</b>        | <b>422</b>               | <b>122</b>                    | <b>116</b>                    | <b>(6)</b>               | <b>-5%</b>    |
| <b>Operating Revenue</b>                     |                   |                          |                               |                               |                          |               |
| - Te Kuiti Stormwater                        | (1)               | 0                        | 0                             | 0                             | 0                        |               |
| <b>Total Operating Revenue</b>               | <b>(1)</b>        | <b>0</b>                 | <b>0</b>                      | <b>0</b>                      | <b>0</b>                 | <b>0%</b>     |
| <b>Net Operating Cost/(Surplus)</b>          | <b>323</b>        | <b>422</b>               | <b>122</b>                    | <b>116</b>                    | <b>(6)</b>               | <b>-5%</b>    |

**Net Operating Cost** for the Stormwater Drainage Activity was 5% (\$6,000) less than budget for the period ended 30 September 2015.

**Direct Expenditure** was 4% (\$2,000) less than budget for the period as sampling and maintenance costs were less than expected.

## Sewerage and Treatment and Disposal of Sewage

| SEWERAGE AND TREATMENT AND DISPOSAL OF SEWAGE<br>(Amounts in \$1000's) | Actual<br>2014/15 | EAP<br>Budget<br>2014/15 | YTD<br>Budget<br>Sept<br>2015 | YTD<br>Actual<br>Sept<br>2015 | Variance<br>Sept<br>2015 | %<br>Variance |
|--|-------------------|--------------------------|-------------------------------|-------------------------------|--------------------------|---------------|
| <b>Direct Expenditure</b>  |                   |                          |                               |                               |                          |               |
| - Te Kuiti   | 1,261             | 1,400                    | 345                           | 361                           | 16                       |               |
| - Te Waitere   | 17                | 30                       | 8                             | 8                             | 0                        |               |
| - Benneydale   | 43                | 96                       | 26                            | 32                            | 6                        |               |
| - Piopio   | 60                | 108                      | 28                            | 23                            | (5)                      |               |
| <b>Total Direct Expenditure</b>  | <b>1,381</b>      | <b>1,634</b>             | <b>407</b>                    | <b>424</b>                    | <b>17</b>                | <b>4%</b>     |
| - Allocated Costs  | 480               | 184                      | 46                            | 35                            | (11)                     |               |
| - Interest   | 547               | 661                      | 165                           | 124                           | (41)                     |               |
| - Depreciation   | 734               | 764                      | 191                           | 188                           | (3)                      |               |
| <b>Total Expenditure</b>   | <b>3,142</b>      | <b>3,243</b>             | <b>809</b>                    | <b>771</b>                    | <b>(38)</b>              | <b>-5%</b>    |
| <b>Operating Revenue</b>   |                   |                          |                               |                               |                          |               |
| - Te Kuiti   | (1,812)           | (826)                    | (206)                         | (255)                         | (49)                     |               |
| - Benneydale   | (1)               | (1)                      | 0                             | (1)                           | (1)                      |               |
| - Piopio   | (4)               | (1)                      | 0                             | (2)                           | (2)                      |               |
| <b>Total Operating Revenue</b>   | <b>(1,817)</b>    | <b>(828)</b>             | <b>(206)</b>                  | <b>(258)</b>                  | <b>(52)</b>              | <b>25%</b>    |
| <b>Net Operating Cost/(Surplus)</b>                                    | <b>1,325</b>      | <b>2,415</b>             | <b>603</b>                    | <b>513</b>                    | <b>(90)</b>              | <b>-15%</b>   |

**Net Operating Cost** for the Sewerage Activity was 115% (\$90,000) below budget for the period ended 30 September 2015.

**Direct Expenditure** was 4% (\$17,000) more than budget for the period.

**Total Revenue** was 25% (\$52,000) more than forecast for the period due to Trade Waste revenue.

## Water Supply

| <b>WATER SUPPLY</b>                 | <b>Actual</b>  | <b>EAP Budget</b> | <b>YTD Budget</b> | <b>YTD Actual</b> | <b>Variance</b>  | <b>%</b>        |
|-------------------------------------|----------------|-------------------|-------------------|-------------------|------------------|-----------------|
| <b>(Amounts in \$1000's)</b>        | <b>2014/15</b> | <b>2014/15</b>    | <b>Sept 2015</b>  | <b>Sept 2015</b>  | <b>Sept 2015</b> | <b>Variance</b> |
| <b>Direct Expenditure</b>           |                |                   |                   |                   |                  |                 |
| - Te Kuiti                          | 853            | 977               | 262               | 334               | 72               |                 |
| - Mokau                             | 152            | 177               | 45                | 63                | 18               |                 |
| - Piopio                            | 268            | 200               | 45                | 71                | 26               |                 |
| - Benneydale                        | 58             | 101               | 29                | 25                | (4)              |                 |
| <b>Total Direct Expenditure</b>     | <b>1,331</b>   | <b>1,455</b>      | <b>381</b>        | <b>493</b>        | <b>112</b>       | <b>29%</b>      |
| - Allocated Costs                   | 590            | 200               | 50                | 39                | (11)             |                 |
| - Interest                          | 217            | 291               | 73                | 69                | (4)              |                 |
| - Depreciation                      | 426            | 477               | 119               | 102               | (17)             |                 |
| <b>Total Expenditure</b>            | <b>2,564</b>   | <b>2,423</b>      | <b>623</b>        | <b>703</b>        | <b>80</b>        | <b>13%</b>      |
| <b>Operating Revenue</b>            |                |                   |                   |                   |                  |                 |
| - Te Kuiti                          | (721)          | (609)             | (152)             | (116)             | 36               |                 |
| - Mokau                             | (19)           | 0                 | 0                 | 0                 | 0                |                 |
| - Piopio                            | (33)           | (29)              | 0                 | (1)               | (1)              |                 |
| - Benneydale                        | (10)           | 0                 | 0                 | 0                 | 0                |                 |
| <b>Total Operating Revenue</b>      | <b>(783)</b>   | <b>(638)</b>      | <b>(152)</b>      | <b>(117)</b>      | <b>35</b>        | <b>-23%</b>     |
| <b>Subsidy Revenue</b>              |                |                   |                   |                   |                  |                 |
| - Te Kuiti                          | 0              | (780)             | 0                 | 0                 | 0                |                 |
| - Mokau                             | 0              | 0                 | 0                 | 0                 | 0                |                 |
| - Piopio                            | 0              | 0                 | 0                 | 0                 | 0                |                 |
| - Benneydale                        | 0              | 0                 | 0                 | 0                 | 0                |                 |
| <b>Total Subsidy Revenue</b>        | <b>0</b>       | <b>(780)</b>      | <b>0</b>          | <b>0</b>          | <b>0</b>         |                 |
| <b>Total Revenue</b>                | <b>(783)</b>   | <b>(1,418)</b>    | <b>(152)</b>      | <b>(117)</b>      | <b>35</b>        | <b>-23%</b>     |
| <b>Net Operating Cost/(Surplus)</b> | <b>1,781</b>   | <b>1,005</b>      | <b>471</b>        | <b>586</b>        | <b>115</b>       | <b>24%</b>      |

**Net Operating Cost** for the Water Supply Activity was 24% (\$115,000) more than budget for the period ended 30 September 2015.

**Direct Expenditure** was 29% (\$112,000) more than budget for the period.

- Costs have increased for Veolia, Council's water services contractor, due to additional health and safety requirements, supervision and safety inspections across all water supply systems.
- There have been additional costs for Te Kuiti for mechanical, electrical and SCADA operational costs associated with the treatment plant upgrade and reservoir rehabilitation.
- Chemical costs for Piopio have been more than forecast to treat raw water drawn for this system.
- Access road maintenance has been carried out for Piopio and Blackmans reservoirs.

**Total Revenue** was 23% (\$35,000) less than forecast for the period.

## Roads and Footpaths

| <b>ROADS AND FOOTPATHS</b>                  | <b>Actual</b>  | <b>EAP Budget</b> | <b>YTD Budget</b> | <b>YTD Actual</b> | <b>Variance</b>  | <b>%</b>        |
|---|----------------|-------------------|-------------------|-------------------|------------------|-----------------|
| <b>(Amounts in \$1000's)</b>                | <b>2014/15</b> | <b>2014/15</b>    | <b>Sept 2015</b>  | <b>Sept 2015</b>  | <b>Sept 2015</b> | <b>Variance</b> |
| <b>Direct Expenditure</b>                   |                |                   |                   |                   |                  |                 |
| - Subsidised Roads                          | 4,757          | 5,370             | 1,054             | 955               | (99)             |                 |
| - Non Subsidised Roads                      | 200            | 192               | 48                | 41                | (7)              |                 |
| <b>Total Direct Expenditure</b>             | <b>4,957</b>   | <b>5,562</b>      | <b>1,102</b>      | <b>996</b>        | <b>(106)</b>     | <b>-10%</b>     |
| - Allocated Costs                           | 0              | 3                 | 1                 | 0                 | (1)              |                 |
| - Interest                                  | 929            | 1,087             | 272               | 209               | (63)             |                 |
| - Depreciation                              | 3,048          | 2,951             | 738               | 716               | (22)             |                 |
| <b>Total Expenditure</b>                    | <b>8,934</b>   | <b>9,603</b>      | <b>2,113</b>      | <b>1,921</b>      | <b>(192)</b>     | <b>-9%</b>      |
| <b>Operating Revenue</b>                    |                |                   |                   |                   |                  |                 |
| - Subsidised Roads                          | (5,911)        | (6,839)           | (914)             | (830)             | 84               |                 |
| - Non Subsidised Roads                      | (91)           | (74)              | (5)               | (6)               | (1)              |                 |
| <b>Total Operating Revenue</b>              | <b>(6,002)</b> | <b>(6,913)</b>    | <b>(919)</b>      | <b>(836)</b>      | <b>83</b>        | <b>-9%</b>      |
| <b>Net Operating Cost/(Surplus)</b>         | <b>2,932</b>   | <b>2,690</b>      | <b>1,194</b>      | <b>1,085</b>      | <b>(109)</b>     | <b>-9%</b>      |
| Subsidised Roads Maintenance                | 4,787          | 5,370             | 1,054             | 955               | (99)             |                 |
| Subsidised Roads Capital                    | 4,612          | 5,500             | 360               | 292               | (68)             |                 |
| <b>Combined Maintenance and Capital</b>     | <b>9,399</b>   | <b>10,870</b>     | <b>1,414</b>      | <b>1,247</b>      | <b>(167)</b>     | <b>-12%</b>     |
| <b>Subsidy Revenue for Subsidised Roads</b> | <b>(5,763)</b> | <b>(6,677)</b>    | <b>(976)</b>      | <b>(802)</b>      | <b>175</b>       | <b>-18%</b>     |

**Net Operating Cost** for the Roads and Footpaths Activity was 18% (\$175,000) less than budget for the period ended 30 September 2015.

**Direct Expenditure** was 10% (\$106,000) less than budget for the period due to the weather conditions and planning work being carried out with the new contractor.

**Operating Revenue** was 9% (\$83,000) less than forecast for the period less than budget due to less than budgeted works being completed and therefore less subsidy being received. It is expected that this will be made up as the year progresses.

## Appendix 2: Balance Sheet as at 30 September 2015

| STATEMENT OF FINANCIAL POSITION            | Actual Position | Actual Position | Variance from  | Long Term Plan | Variance from LTP |
|--|-----------------|-----------------|----------------|----------------|-------------------|
| (Amounts in \$1000's)                      | 30 Jun 2015     | 30 Sept 2015    | 30 Sept 2015   | 30 Jun 2016    |                   |
| <b>Public Equity</b>                       |                 |                 |                |                |                   |
| - Accumulated Funds                        | 203,593         | 204,383         | 790            | 207,531        | 3,148             |
| - Other Reserves                           | 9,850           | 9,850           | 0              | 7,127          | (2,723)           |
| - Revaluation Reserve                      | 74,167          | 74,167          | 0              | 70,465         | (3,702)           |
| <b>TOTAL PUBLIC EQUITY</b>                 | <b>287,610</b>  | <b>288,400</b>  | <b>790</b>     | <b>285,123</b> | <b>(3,277)</b>    |
| <b>Current Assets</b>                      |                 |                 |                |                |                   |
| - Cash and Cash Equivalents                | 2,457           | 2,550           | 93             | 100            | (2,450)           |
| - Inventories                              | 71              | 71              | 0              | 34             | (37)              |
| - Other Financial Assets                   | 2               | 2               | 0              | 2              | 0                 |
| - Receivables (Non-exchange)               | 5,189           | 3,968           | (1,221)        | 280            | (3,688)           |
| - Receivables (Exchange)                   | 372             | 372             | 0              | 4,978          | 4,606             |
| - Assets Held for Sale                     | 67              | 67              | 0              | 67             | 0                 |
| - Derivative Financial Instruments         | 0               | 0               | 0              | 0              | 0                 |
| <b>Total Current Assets</b>                | <b>8,158</b>    | <b>7,030</b>    | <b>(1,128)</b> | <b>5,461</b>   | <b>(1,569)</b>    |
| <b>Current Liabilities</b>                 |                 |                 |                |                |                   |
| - Payables and Deferred Revenue (Exchange) | 4,042           | 2,174           | (1,868)        | 3,490          | 1,316             |
| - Current Portion of Borrowings            | 10,345          | 11,323          | 978            | 5,200          | (6,123)           |
| - Provisions                               | 17              | 17              | 0              | 17             | 0                 |
| - Employee Entitlements                    | 422             | 419             | (3)            | 505            | 86                |
| - Derivative Financial Instruments         | 317             | 317             | 0              | 171            | (146)             |
| <b>Total Current Liabilities</b>           | <b>15,143</b>   | <b>14,250</b>   | <b>(893)</b>   | <b>9,383</b>   | <b>(4,867)</b>    |
| <b>NET WORKING CAPITAL</b>                 | <b>(6,985)</b>  | <b>(7,220)</b>  | <b>(235)</b>   | <b>(3,922)</b> | <b>3,298</b>      |
| <b>Non Current Assets</b>                  |                 |                 |                |                |                   |
| - Property Plant and Equipment             | 327,056         | 327,073         | 17             | 332,628        | 5,555             |
| - Intangible Assets                        | 99              | 99              | 0              | 88             | (11)              |
| - Forestry Assets                          | 0               | 0               | 0              | 44             | 44                |
| - Investment Properties                    | 1,295           | 1,295           | 0              | 635            | (660)             |
| - Assets Held for Sale                     | 434             | 434             | 0              | 753            | 319               |
| - Other Financial Assets                   | 786             | 786             | 0              | 785            | (1)               |
| - Investment in CCO's                      | 2,600           | 2,600           | 0              | 2,600          | 0                 |
| - Derivative Financial Instruments         | 153             | 153             | 0              | 409            | 256               |
| <b>Total Non Current Assets</b>            | <b>332,423</b>  | <b>332,440</b>  | <b>17</b>      | <b>337,942</b> | <b>5,502</b>      |
| <b>Non Current Liabilities</b>             |                 |                 |                |                |                   |
| - Payables and Deferred Revenue (Exchange) | 459             | 459             | 0              | 371            | (88)              |
| - Borrowings                               | 35,794          | 34,786          | (1,008)        | 47,634         | 12,848            |
| - Employee Entitlements                    | 0               | 0               | 0              | 61             | 61                |
| - Provisions                               | 879             | 879             | 0              | 831            | (48)              |
| - Derivative Financial Instruments         | 696             | 696             | 0              | 0              | (696)             |
| <b>Total Non Current Liabilities</b>       | <b>37,828</b>   | <b>36,820</b>   | <b>(1,008)</b> | <b>48,897</b>  | <b>12,077</b>     |
| <b>NET ASSETS</b>                          | <b>287,610</b>  | <b>288,400</b>  | <b>790</b>     | <b>285,123</b> | <b>(3,277)</b>    |

# TREASURY REPORT

FOR



FOR THE QUARTER ENDED 30 SEPTEMBER 2015



## BANCORP

BANCORP TREASURY SERVICES LIMITED

AUCKLAND • WELLINGTON • CHRISTCHURCH

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## 1. MARKET ENVIRONMENT

### 1.1 GLOBAL MARKETS OVERVIEW (AS AT 30 SEPTEMBER 2015)

One of the main focal points for the markets over the last two months of the quarter was on the 17 September US Federal Reserve (“Fed”) meeting. In the lead-up to the meeting global financial markets were sideswiped by a fresh sell-off in Chinese equities in the last week of August (a 15.0% selloff in one week alone, seemingly without any new developments to trigger it), precipitating a meltdown in global markets. Global equity indices tumbled, bond yields fell sharply and commodities markets were rocked again - Brent crude fell below USD42.00/barrel for the first time since January, while copper, another key indicator of global industrial activity, hit a six year low.

At that September meeting the Fed kept its benchmark policy interest rate unchanged and showed a reluctance to raise interest rates as global downside risks rise and inflation slows. The decision not to raise the Fed Funds rate highlighted the Fed’s concerns about the slowdown in China and how that could impact on the growth outlook for US. The Fed said “recent global economic and financial developments may restrain economic activity somewhat and are likely to put further downward pressure on inflation in the near term.” Since the meeting Federal Reserve Chair Janet Yellen has sought to ease market and economic fears about higher interest rates in the US by saying that any rate-hiking cycle will be slow and dependent on the performance of the US economy.

As expected, Chinese authorities stepped in to arrest the fall in Chinese equities, cutting interest rates and lowering bank reserve requirements, which alone will inject approximately CNY650 billion (USD100 billion) into the economy. However, the damage might have been done – investor sentiment is fragile and there are fresh concerns as to whether Chinese authorities fully understand the wider implications. Markets had been rattled after a surprise devaluation of the renminbi by the Peoples Bank of China, with debate around whether the intervention was done to stimulate the economy or was a larger move to make the currency more market driven and transparent.

On-going market ructions and uncertainty will test the Fed’s conviction that the US economic recovery is robust enough to weather the global maelstrom, especially with the strengthening USD weighing on the US export sector. Earlier in the year as expectations rose for the Fed to start its rate hiking cycle in September, the yield on the benchmark 10 year Treasury bond rose to 2.50% in June, but fading market confidence of a Fed hike was confirmed in September and this saw yields fall. With risk aversion helping to drive yields lower as well as the market weighing up the probability of the



Fed starting its monetary tightening cycle later than previously thought, the 10 year Treasury bond yield fell once again and ended the quarter at 2.04%.

## 1.2 NEW ZEALAND MARKET OVERVIEW (AS AT 30 SEPTEMBER 2015)

|           | OCR    | 90 day | 2 year swap | 3 year swap | 5 year swap | 7 year swap | 10 year swap |
|-----------|--------|--------|-------------|-------------|-------------|-------------|--------------|
| 30 Jun 15 | 3.25%  | 3.26%  | 3.10%       | 3.17%       | 3.43%       | 3.69%       | 3.90%        |
| 30 Sep 15 | 2.75%  | 2.84%  | 2.71%       | 2.78%       | 3.04%       | 3.26%       | 3.50%        |
| Change    | -0.50% | -0.42% | -0.39%      | -0.39%      | -0.39%      | -0.43%      | -0.40%       |

The September quarter confirmed the transformation of the New Zealand economy from one that was only last year afforded a 'Rock Star' status to a much more subdued 'Goldilocks' version. The wide reaching influence of China's slowdown and headwinds from the dairy sector started to have flow on effects to the economy in general, with the domestic outlook deteriorating from the perspective of both businesses and consumers. Concerns over China sent global as well as domestic markets into a tailspin, with the New Zealand 10 year swap touching an all-time low of 3.44% in August, finishing the quarter only marginally higher at 3.50%, while equities are struggling to remain in positive territory for the year to date.

While the dairy sector suffered overall, there was a welcome rebound in prices from the last three GlobalDairyTrade auctions for the quarter with the index rallying almost 48% from the mid-August lows. This prompted Fonterra to lift its forecast payout from \$3.85 to \$4.60 per kgMS for the 2015/2016 season – but which unfortunately is still below breakeven for many farmers.

There were however a number of bright spots in the economy, with other categories of exports helping to underpin the domestic economy, and the depreciation in the exchange rate over the preceding year lending a helping hand. Many export classes recorded significant increases in volumes over the past year, especially fruit, meat and wool. Also the tourism industry is enjoying a boom, with the lower exchange rate making New Zealand a more attractive travel destination. International visitor arrivals have reached 3 million on an annual basis, with little sign of a let up in the forthcoming summer season.

In the August ANZ Business Outlook Survey, business confidence fell to levels last seen at the beginning of the Global Financial Crisis. The key driver of business pessimism is the uncertain global outlook, which is weighing on commodity prices and inflation and in turn profit forecasts, despite some relief in the form of accommodative policy settings as well as a depreciating New Zealand dollar. GDP data for the June quarter did little to rein in the sense of pessimism in the business community, growth expanded by a less

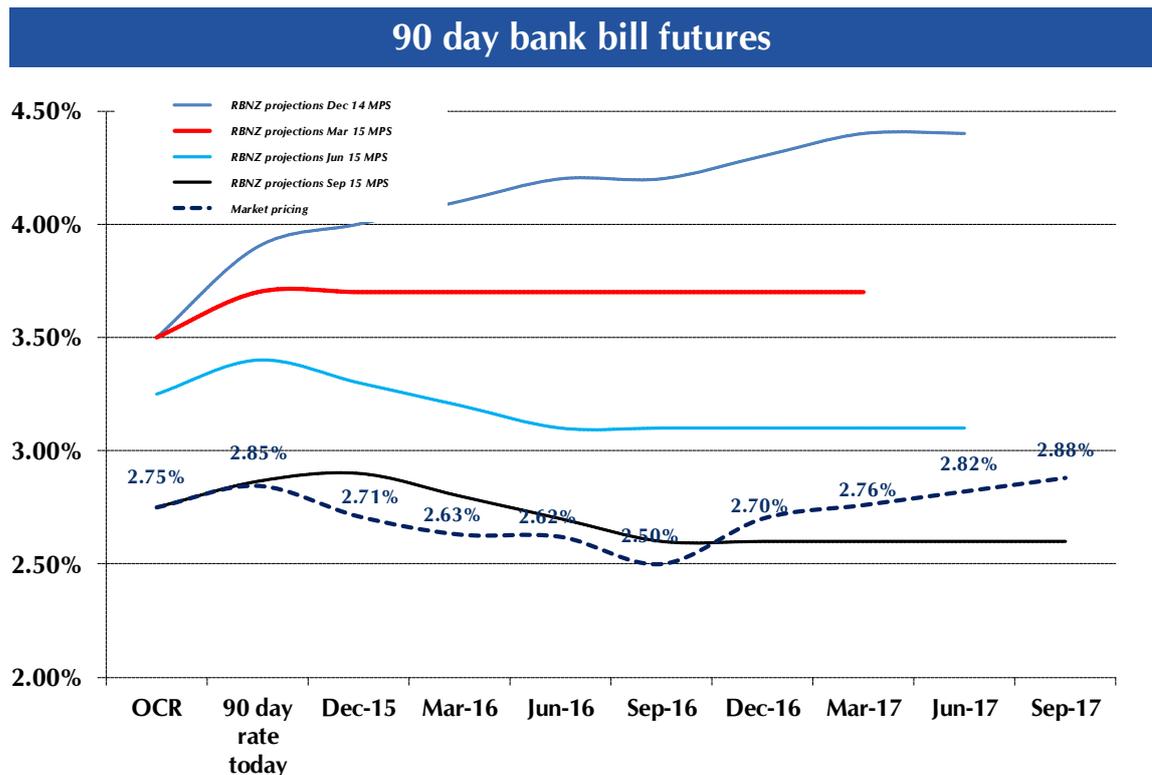


than expected 0.4%, producing an annual increase of 2.4%, the lowest in nearly two years.

At its September announcement, the Reserve Bank of New Zealand (“RBNZ”) delivered a widely anticipated 25 basis point cut to the Official Cash Rate (“OCR”), taking it to 2.75%. The RBNZ’s statement continued a dovish shift that began in June with the RBNZ seeing the OCR bottoming at 2.50% in the current cycle, and the low cash rate being sustained for at least the next couple of years. The RBNZ sees risks to the global outlook as well as slowing domestic activity due to *“the plateauing of construction activity in Canterbury, and a weakening in business and consumer confidence”*.

US Treasury bond yields continue to be a key influence for both medium and long term domestic swap rates. These yields remain under pressure, reflecting expectations of lacklustre long term growth and inflation prospects both globally and in New Zealand. Our ‘lower for longer’ mantra remains the consensus view for interest rates while the benign growth and inflation outlook prevails.

The chart below depicts the RBNZ’s projections for the 90 day bank bill rate from the last four MPSs, together with pricing from the 90 day bank bill futures market as at 30 September.



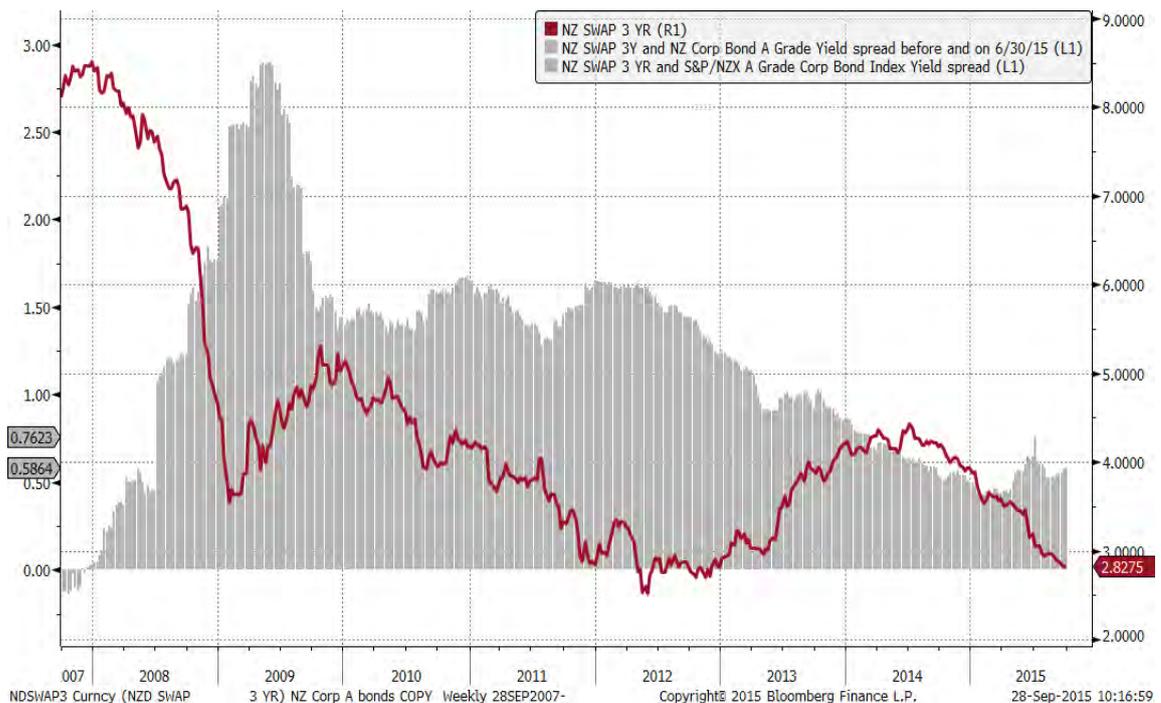
### 1.3 LOCAL AUTHORITY SECTOR

The Local Government Funding Agency ("LGFA") held its last tender for the quarter on 23 September. In total, \$140 million of bonds and Floating Rate Notes ("FRN") were issued. Details of the tender were as follows:

- 15 April 2020 maturity - \$20 million issued at a margin of 29 basis points over swap for an 'AA' rated borrower.
- 15 April 2023 maturity - \$20 million issued at a margin of 42 basis points over swap for a 'AA+' rated borrower.
- 15 April 2027 maturity - \$100 million issued at a margin of 55 basis points over swap for a 'AA+' rated borrower.

### 1.4 CREDIT SPREADS

Credit spreads were relatively stable during the quarter despite the ructions in the equity markets. However the contraction in spreads which started in early 2009 has seemingly ended as a realisation emerged that credit became too cheap earlier in the year. A sharp up-move in credit spreads is unlikely though given the amount of liquidity in the financial system which needs to find a good quality home. The chart below shows credit spreads for the Corporate 'A' Grade Bond index (the grey shaded area) and the three years swap rate (red line) dating back to mid-2007.



## 2. DEBT AND HEDGING

### 2.1 DEBT

As at 30 September 2015, Waitomo District Council ("WDC") had \$45,750,000 of external debt. Of this, \$19,750,000 was provided by Westpac Bank, with \$19,000,000 drawn on the Wholesale Advance Facility ("WAF") and the balance of \$750,000 on a Term Loan. In addition, WDC had issued \$26,000,000 of FRNs. A breakdown of the funding profile is contained in the table below:

| Loans                   |                  |           |                   |
|-------------------------|------------------|-----------|-------------------|
| Value Date              | Reprice/Maturity | Base Rate | Amount            |
| <b>Advance Facility</b> |                  |           |                   |
| 20-Jul-2015             | 21-Oct-2015      | 3.1050%   | 5,000,000         |
| 10-Sep-2015             | 10-Dec-2015      | 2.8930%   | 5,000,000         |
| 20-Jul-2015             | 21-Oct-2015      | 3.1050%   | 3,000,000         |
| 17-Aug-2015             | 16-Nov-2015      | 2.9510%   | 6,000,000         |
| <b>Term Loan</b>        |                  |           |                   |
| 17-Aug-2015             | 16-Nov-2015      | 6.0000%   | 750,000           |
| <b>FRNs</b>             |                  |           |                   |
| 28-Aug-2015             | 28-Aug-2018      | 2.9200%   | 5,000,000         |
| 09-Nov-2012             | 09-Nov-2015      | 3.0000%   | 5,000,000         |
| 18-Apr-2012             | 18-Apr-2017      | 3.0550%   | 5,000,000         |
| 30-Aug-2013             | 30-Aug-2016      | 2.9180%   | 5,000,000         |
| 30-Aug-2013             | 30-Aug-2016      | 2.9180%   | 1,000,000         |
| 06-Aug-2014             | 06-Aug-2017      | 3.0200%   | 5,000,000         |
| <b>TOTAL</b>            |                  |           | <b>45,750,000</b> |

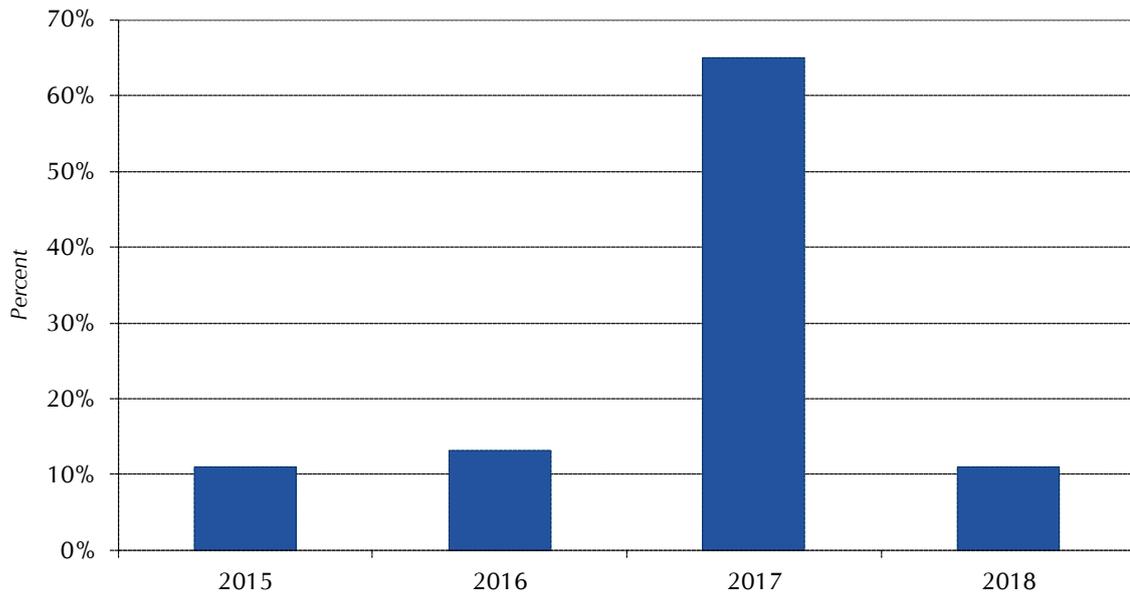
The term loan of \$750,000 has been on-lent to Inframax with interest rate resets every three months. The current rate is 6.00%, with the next reset due on 16 November 2015.

The maturity profile of WDC's debt is depicted in the graph on the following page. It includes the \$26,000,000 of FRNs on issue and the \$19,750,000 million of bank debt (including the Inframax loan). It shows that there is 65.0% of debt maturing in 2017, along with the bank debt there are \$10,000,000 of FRNs maturing in that year.

Section 7.2 of the Liability Management Policy states "*To avoid a concentration of debt maturity dates Council will, where practicable, aim to have no more than 50% of debt subject to refinancing in any 12 month period.*" This is an objective, not an actual requirement, so the 65.0% of debt maturing in 2017 does not constitute a breach of the Treasury Policy.



## Waitomo DC Debt Maturity Profile



In August an FRN for \$5,000,000 matured. This FRN was issued in 2010 at a margin of 230 basis points, when credit margins were close to their post-GFC peak and WDC was a less attractive credit proposition than it is now. The FRN was refinanced for a term of three years at a margin of 52 basis points, producing savings of \$89,000 per annum.

Another \$5.0 million FRN matures in November 2015, this one issued at 110 basis points. The intention is to issue another FRN with a similar margin to the August issue expected, although if a slightly longer term is selected this will be reflected in the margin. Again this should result in a saving in interest costs.

## 2.2 HEDGING

As at 30 September 2015, WDC had ten interest rate swaps to convert a portion of the floating rate exposures associated with the FRNs and bank debt into a fixed rate. Eight of the swaps are current and four are forward starting. Details of the swaps are as follows:

| Start Date                    | Maturity Date | Swaps Rate | Amount            | Market Value         |
|-------------------------------|---------------|------------|-------------------|----------------------|
| 21-Jan-2014                   | 21-Jan-2017   | 3.950%     | 5,000,000         | (\$89,842)           |
| 10-Sep-2012                   | 10-Sep-2017   | 3.880%     | 5,000,000         | (\$113,950)          |
| 30-Aug-2013                   | 30-Aug-2019   | 3.900%     | 3,500,000         | (\$130,626)          |
| 30-Aug-2013                   | 30-Aug-2019   | 3.900%     | 1,500,000         | (\$55,983)           |
| 18-Oct-2013                   | 18-Apr-2020   | 4.315%     | 8,000,000         | (\$373,761)          |
| 31-Mar-2014                   | 17-May-2021   | 4.900%     | 6,000,000         | (\$564,970)          |
| <b>Total current hedging</b>  |               |            | <b>29,000,000</b> |                      |
| <b>Forward starting swaps</b> |               |            |                   |                      |
| 24-Jan-2017                   | 24-Jan-2024   | 3.840%     | 5,000,000         | (\$88,702)           |
| 11-Sep-2017                   | 11-Sep-2020   | 3.780%     | 5,000,000         | (\$68,725)           |
| 18-Apr-2017                   | 18-Apr-2023   | 3.950%     | 3,000,000         | (\$68,625)           |
| 20-Apr-2020                   | 20-Apr-2025   | 3.930%     | 5,000,000         | \$15,221             |
|                               |               |            |                   | <b>(\$1,539,962)</b> |

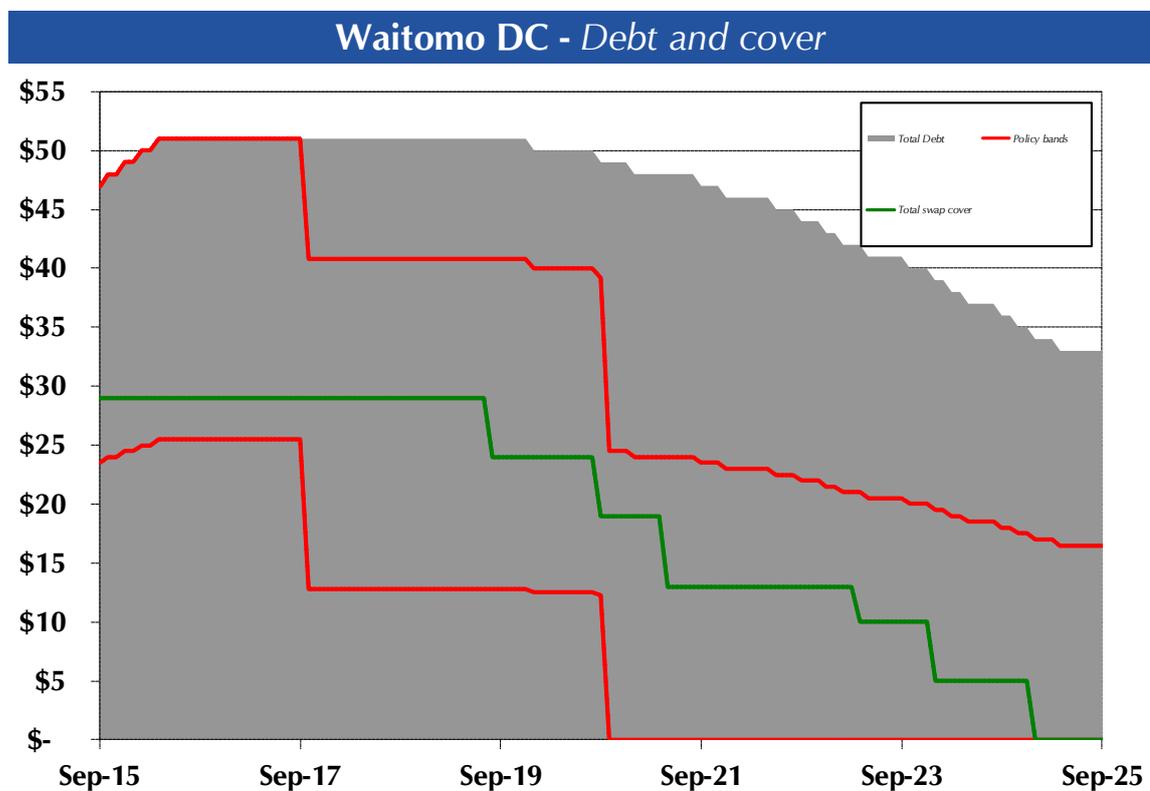
During the quarter one new swap for \$3.0 million starting in April 2017 and maturing in April 2023 was transacted at a rate of 3.95%.

### 2.3 DEBT AND HEDGING PROFILE

WDC manages its debt under the fixed rate hedging parameters detailed in the table below:

| Fixed Rate Hedging Percentages |                    |                    |
|--------------------------------|--------------------|--------------------|
|                                | Minimum Fixed Rate | Maximum Fixed Rate |
| 0 – 2 years                    | 50%                | 100%               |
| 2 – 5 years                    | 30%                | 80%                |
| 5 – 10 years                   | 0%                 | 50%                |

The debt profile incorporating these parameters, and the fixed rate swaps and using projected debt figures supplied by WDC is depicted in the graph below. This indicates that as at 30 September 2015 WDC was policy compliant.



WDC’s weighted average cost of funds as at 30 September 2015, including the bank line fee and margin, was 4.81% inclusive of the Inframax loan or 4.79% exclusive of this loan. The cost of funds inclusive of the Inframax loan has declined by 50 basis points since 30 June 2015. This significant reduction is due to four factors, these are as follows:

- The refinancing of the FRN at 52 basis points.
- The maturity of a swap at 4.36% which was not replaced, leading to an increase in floating rate debt.
- A decline in the 90 day bank bill rate which resulted in the floating portion of WDC's debt being rolled over at lower rates.
- A decline in the interest rate for the Inframax loan.

WDC's cost of funds continues to be lower than most other local authorities, almost all of whom would have a lower credit margin component in their debt. With all other things being equal they should therefore have a lower cost of funds than WDC.

#### 2.4 POLICY COMPLIANCE (AS AT 30 SEPTEMBER 2015)

|   | Yes/No |
|---|--------|
| <i>Have all transactions been entered into compliance with policy?</i>      | √      |
| <i>Are the fixed rate hedging percentages within policy control limits?</i> | √      |
| <i>Is WDC maintaining liquidity within policy control limits?</i>           | √      |
| <i>Are all counterparty exposures within policy control limits?</i>         | √      |
| <i>Is WDC compliant with the financial covenants contained in the LMP</i>   | √      |

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**Appendix 4 – Statements of Service Performance Report on Levels of Service and Key Performance Indicators.**



Statements of Service Performance Report On  
Levels of Service and Key Performance Indicators

2015/16

(For the Period Ending 30 September 2015)

## Introduction

- 1.1 The purpose of this report is to record the detail of non financial performance or service performance for the 2015/16 financial year. These service performance measures were adopted as part of the Long Term Plan 2015-25. Council uses service performance measures to measure performance in providing services to its Community.
- 1.2 The format of the report is in tabular form and the results are grouped under each major activity;
- Description of the **level of service**, which translates the high level strategic goal into measurable levels of service.
  - The **key performance indicator**, which is a description of the measure that will be monitored throughout the financial year and the life of the Long Term Plan 2015-25.
  - The **performance target**, which is the quantitative target Council will strive to achieve.
  - **Performance achieved** to 30 September 2015. The result is recorded, whether the target has been achieved and comments to further explain actual results to target result.

## Commentary

### 2.1 Structure of Groups of Activities

Council carries out a number of activities or functions in order to meet its statutory responsibilities and in response to the aspirations of its District community. Council's functions are arranged under ten Groups of Activities. These ten Groups of Activities are further organised under three main 'Sustainability Groups'.

| <b>Sustainability Groups</b> |  |   |                                |
|------------------------------|--|---|--------------------------------|
| <b>Groups of Activities</b>  | <b>Community and Cultural Sustainability</b> | <b>Environmental Sustainability</b>               | <b>Economic Sustainability</b> |
|                              | Governance: Leadership and Investments       | Resource Management                               | Water Supply                   |
|                              | Community Service                            | Solid Waste Management                            | Roads and Footpaths            |
|                              | Community Development                        | Stormwater  |                                |
|                              | Regulation                                   | Sewerage and the Treatment and Disposal of Sewage |                                |

## 2.2 Performance Framework

### Purpose

In order to manage and monitor the performance of its activities and the work programmes undertaken by Council and to ensure that its efforts contribute to Council's purpose and Community Outcomes we have developed a Performance Framework. The two key functions of this framework are:

1. To guide Council's efforts and work streams such that the focus is on achievement Council's Purpose and Community Outcomes.
2. To demonstrate to the community what we are trying to achieve, and how our performance will be measured.

|  |
|--|
| <b>PURPOSE OF LOCAL GOVERNMENT</b>   |
| <i>'To meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for households and businesses'</i> |
| <b>Waitomo District Community Outcomes</b>   |
| <b>Council's Vision:</b><br>'Creating a better future with vibrant communities and thriving business'  |
| <b>Council's Focus Areas:</b><br>Facilitate economic development, encourage community connectivity and development, good stewardship of assets, and financial prudence and sustainability  |
| <b>Council's Business – Groups of Activities</b>   |
| <b>Council's Policy and Planning Framework</b><br>Council Policies, Bylaws, Activity Management Plans, Financial Strategy, Long Term Plan and Annual Plan.   |
| <b>Levels of Service and Work Programmes</b><br>Monitoring and Reporting of achievement against Performance Targets  |

## 2.3 Elements of the Framework

As shown in the table above, at the highest level of the Performance Framework is Council's Purpose, followed by Community Outcomes.

The Vision statement describes Council's focus and the Guiding Principles aim to set the parameters under which planning will be carried out.

Council's Groups of Activities is the grouping of the various functions and activities that are carried out by Council. All activities need to demonstrate their contribution to the Community Outcomes.

The 'coal-face' of the Performance Framework are the –

**Levels of Service:** what can the community expect Council to provide.

**Performance Measures:** how will success or progress be measured.

**Performance Targets:** what is the level of performance that Council is aiming for.

## 2.4 Monitoring and Reporting

2.5 Progress against agreed performance targets is monitored monthly at a management level and reported quarterly at governance level. The annual achievement against performance targets is audited and communicated to the community and stakeholders in Council's Annual Report.

2.6 There have been a range of new measures introduced as per the LTP that was adopted by Council in June 2015.

2.7 For the quarter ending 30 September 2015, the performance results for all ten activities are as follows:

| Activity                                    | Total number of targets | Achieved or On Track | Not Achieved | No data available |
|---|-------------------------|----------------------|--------------|-------------------|
| Governance: Leadership and Investments      | 4                       | 2                    |              | 2                 |
| Community Service                           | 11                      | 4                    |              | 7                 |
| Community Development                       | 7                       | 2                    |              | 5                 |
| Regulation                                  | 8                       | 4                    |              | 4                 |
| Solid Waste Management                      | 8                       | 2                    |              | 6                 |
| Resource Management                         | 3                       | 3                    |              |                   |
| Stormwater Drainage                         | 8                       | 8                    |              |                   |
| Sewerage and Treatment Disposal of Sewerage | 8                       | 4                    |              | 4                 |
| Water Supply                                | 17                      | 12                   | 5            |                   |
| Roads and Footpaths                         | 6                       | 1                    | 1            | 4                 |

### Performance Measures Key

|  |                      |
|--|----------------------|
|  | Achieved or on Track |
|  | Not Achieved         |
|  | No Data Available    |

## Community and Cultural Sustainability Group

### Governance: Leadership and Investments

#### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What we do<br>(level of service)   | How we measure success<br>(performance measure)  | Performance<br>Target | Progress to 30<br>Sept 2015 | Explanation   |
|--|--|-----------------------|-----------------------------|---|
| Decision making in compliance with provisions of the Local Government Act 2002.  | Number of successful challenges to the decision making process.  | 0                     | 0                           | Nil challenges received.                                      |
| Consultation is in accordance with the procedures outlined in LGA 2002. Depending on the nature of the consultation, the procedure will either be the Special Consultative Procedure or a process that gives effect to the requirements of section 82 of the LGA 2002. | Number of successful challenges to the decision making process.  | 0                     | 0                           | Nil challenges received.                                      |
| Effective communication with the community.  | Customer satisfaction rating of effectiveness and usefulness of Council communications "good or better".   | ≥ 50%                 |                             | Will be reported Annually once RSS is completed by June 2016. |
| <b>Investments</b>   |  |                       |                             |   |
| Investments are managed prudently and in a manner that promotes the current and future interests of the community.   | Analysis of investment financials and activity including investment company reporting statements are reported to Council and made available to the public as applicable. | 2 reports per year    |                             | Will be reported when completed within the year.              |

|  |  |   |
|--|--|---|
|  Achieved or On Track |  Not Achieved |  No data available |
|--|--|---|

## Community Service

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What we do<br>(level of service)  | How we measure success<br>(performance measure)  | Performance<br>Target | Progress to 30<br>Sept 2015 | Explanation   |
|---|--|-----------------------|-----------------------------|---|
| High quality Parks and Reserves will be provided.   | Percentage of community satisfied with the quality of Parks and Reserves in annual and research surveys.   | ≥ 80%                 |                             | Will be reported Annually once RSS is completed by June 2016.       |
| Provision and maintenance of Elderly Persons Housing that meets the needs of the tenants. | Percentage of tenants satisfied with the provision and maintenance of Elderly Persons Housing.   | > 65%                 |                             | Will be reported Annually once RSS is completed by June 2016.       |
| Quality public amenities will be provided.  | Percentage of community satisfied with the quality of public amenities (Public Toilets and Cemeteries).  | ≥ 81%                 |                             | Will be reported Annually once RSS is completed by June 2016.       |
| Provision of effective pool facilities for the community.                                 | Percentage of community satisfied with the quality of the pool facilities and service in the annual satisfaction survey and research survey results.             | ≥ 70%                 |                             | Will be reported Annually once RSS is completed by June 2016.       |
| Provision of effective Arts and Culture facilities for the community.                     | Percentage of community satisfied with the quality of the Arts and Culture facilities and service in the annual satisfaction survey and research survey results. | ≥ 75%                 |                             | Will be reported Annually once RSS is completed by June 2016.       |
| Council's public facilities are provided to standards of fitness for use.                 | Current Building Warrant Of Fitness (BWOFF) for facilities with compliance schedules.  | 100%                  | 100%                        | All building Warrant of Fitness for Council facilities are current. |

| What we do<br>(level of service)   | How we measure success<br>(performance measure)  | Performance<br>Target | Progress to 30<br>Sept 2015 | Explanation   |
|--|--|-----------------------|-----------------------------|---|
| Pool is safe for use of pool patrons at all times.   | Pool accreditation in place.   | 100%                  | 100%                        | Pool accreditation in place until 30 April 2016.              |
|  | Number of pool non complying water quality readings per year.  | < 5                   | 0                           | Nil non complying water quality readings received.            |
| Community education and information provided to build community awareness and preparedness.  | The number of residents who understand the need to plan for the ability to survive on their own for 3 days if there was an emergency event, as measured by the Resident Satisfaction Survey. | 42%                   |                             | Will be reported Annually once RSS is completed by June 2016. |
| WDC is resourced and staff trained to a level sufficient to efficiently operate the Civil Defence Headquarters during an emergency | One major training exercise involving Civil Defence HQ staff will be held per year   | One exercise per year |                             | Will be reported when completed within the year.              |
| Playground equipment is safe to use for parks and reserves playground users  | Number of accidents directly attributable to playground equipment failure  | Nil accidents         | 0                           | Nil accidents reported for the quarter.                       |

## Community Development

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What we do<br>(level of service)  | How we measure success<br>(performance measure)  | Performance<br>Target   | Progress to 30<br>Sept 2015 | Explanation  |
|---|--|---|-----------------------------|--|
| Provide assistance for community support activities.  | Advertisement and administration of all WDC Funding Rounds as per the Community Development Fund Policy. | 100% Compliance   | 100% Compliance             | On track for achievement<br><br>September Discretionary Grant Funding Round. Seven applicants were successful in gaining funding.<br><br>July DC Tynan Trust Funding Round. Two applicants were successful in gaining funding. |
| Support the positive development of youth within the District.  | Youth Council makes one submission to Council per year.  | 1 per annum   |                             | Will be reported when completed within the year.   |
|   | Youth Council undertakes two youth related projects per year.  | 2 per annum   |                             | Will be reported when completed within the year.   |
| Council will support major District events that build community pride and raise the District's profile. | Number of major District events held on time and to budget.  | One Major event (the Muster) and one minor event (the Christmas Parade) |                             | On track for achievement<br><br>The Christmas Parade is scheduled for Friday December 11 <sup>th</sup> .   |

|                      |              |                   |
|----------------------|--------------|-------------------|
| Achieved or On Track | Not Achieved | No data available |
|----------------------|--------------|-------------------|

| What we do<br>(level of service)   | How we measure success<br>(performance measure)   | Performance<br>Target   | Progress to 30<br>Sept 2015   | Explanation   |
|--|---|---|---|---|
| Provision of comprehensive library facilities for the community.   | Percentage of community satisfied with the quality of the library facilities and service in the annual satisfaction survey and research survey results. | ≥ 85%   |   | Will be reported Annually once RSS is completed by June 2016. |
| Council through its membership of the Hamilton and Waikato Regional Tourism Organisation will ensure enhanced presence in national and international markets for the District. | Number of District Promotion opportunities taken in key publications and industry events.   | > 4   |   | Will be reported 6 monthly by HWT.                            |
| Council will encourage and support business expansion and sustainable economic development opportunities within the District.  | Economic Development Action Plan developed and implemented.   | Economic Development Action Plan implemented by July 2015 and actions advanced as per plan. | The action Plan has commenced as adopted by Council on 23 June 2015 and actions will be advanced as per plan. | Will be reported through the year as actions are completed.   |

## Regulation

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What we do<br>(level of service)  | How we measure success<br>(performance measure)  | Performance Target                        | Progress to 30<br>Sept 2015 | Explanation   |
|---|--|---|-----------------------------|---|
| All food and alcohol retail premises will be inspected and appropriately registered and licensed. | Percentage of registration or licensing of food and alcohol retail premises                      | 100%                                      |                             | On track for achievement.<br><br>Food Premises inspected to date – 13<br>Alcohol Retail Premises inspected to date - 11 |
| Provision of an effective environmental health service for the community.                         | Customer Satisfaction Survey Rating on Environmental Health Service.                             | > 50%                                     |                             | Will be reported Annually once RSS is completed by June 2016.   |
| Building consents and project information memoranda issued within 15 working days.                | Percentage of building consents and project information memoranda issued within 15 working days. | 90%                                       |                             | On track for achievement.<br><br>98% of consents issued within 15 working days.   |
| Council will process, inspect and certify buildings work in the Waitomo District.                 | WDC maintains building control systems and process to meet IANZ Audit requirements.              | BCA Accreditation achieved every 2 years. | Accreditation Maintained    | Achieved<br><br>Accreditation was achieved in 2014. The next assessment is due June 2016.                               |

|  |  |   |
|--|--|---|
|  Achieved or On Track |  Not Achieved |  No data available |
|--|--|---|

| What we do<br>(level of service)  | How we measure success<br>(performance measure)          | Performance<br>Target             | Progress to 30<br>Sept 2015 | Explanation   |
|---|--|-----------------------------------|-----------------------------|---|
| Provision of an effective building control service to the community.  | Customer Satisfaction Survey rating on Building Control. | > 50%                             |                             | Will be reported Annually once RSS is completed by June 2016.   |
| Dog owners' properties will be inspected to ensure compliance with the Dog Control Act 1996 and Council's bylaws. | Percentage of dog owners' properties inspected per year. | Urban<br>100%<br><br>Rural<br>10% |                             | On track for achievement.<br><br>Urban Properties Inspected to date - 60<br><br>Rural Properties Inspected to date - 20 |
| High level of customer satisfaction with animal control service.  | Customer Satisfaction survey rating on Animal Control.   | ≥ 50%                             |                             | Will be reported Annually once RSS is completed by June 2016.   |
| Dog Owners are well informed of their responsibilities and WDC Support.   | Number of Dog/Owner Education initiatives.               | ≥ 2                               |                             | Will be reported when completed within the year.  |

|   |   |  |
|---|---|--|
|  <b>Achieved or On Track</b> |  <b>Not Achieved</b> |  <b>No data available</b> |
|---|---|--|

## Environmental Sustainability Group

**Solid Waste Management****Statement of Service Performance**

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| <b>What We Do<br/>(Level Of Service)</b>                     | <b>How We Measure Success<br/>(Performance Measure)</b>  | <b>Performance<br/>Target</b> | <b>Progress to 30<br/>Sept 2015</b> | <b>Explanation</b>  |
|--|--|-------------------------------|-------------------------------------|---|
| Users find the recycling facilities safe to use.             | Percentage of users rate the safety of Council's recycling facilities as satisfactory or better. | 75%                           |                                     | Will be reported Annually once RSS is completed by June 2016. |
| Provision of effective waste service for the community.      | Customer satisfaction survey rating on waste transfer stations.                                  | 60%                           |                                     | Will be reported Annually once RSS is completed by June 2016. |
| The solid waste management facilities feel safe to the user. | Percentage of users rate the District's waste transfer stations safe to use.                     | 70%                           |                                     | Will be reported Annually once RSS is completed by June 2016. |
| Users find the landfill facility safe to use.                | Percentage of users rate the safety of Council's landfill facility as satisfactory or better.    | 75%                           |                                     | Will be reported Annually once RSS is completed by June 2016. |

|  |                             |  |                     |  |                          |
|--|-----------------------------|--|---------------------|--|--------------------------|
|  | <b>Achieved or On Track</b> |  | <b>Not Achieved</b> |  | <b>No data available</b> |
|--|-----------------------------|--|---------------------|--|--------------------------|

| What We Do<br>(Level Of Service)   | How We Measure Success<br>(Performance Measure)  | Performance<br>Target | Progress to 30<br>Sept 2015 | Explanation  |
|--|--|-----------------------|-----------------------------|--|
| The solid waste management facilities are open and accessible to users at advertised times.        | Number of complaints per month due to facilities not being open at advertised times.   | ≥1                    |                             | On track for achievement.<br><br>One complaint was received in September.  |
| Reduce quantity of recyclables like paper and plastics in bag collection that goes to landfill.    | Percentage of reduction per annum leading to 10% reduction by 2016 and 15% by 2025 achieved through continual education (both measured against the 2014 Biennial Waste Audit). | 2.0%                  |                             | Data will be reported after the 2016 Biennial Waste Audit which is scheduled for July/August 2016                  |
| Reduce the quantity of organic waste like food scraps etc in bag collection that goes to landfill. | Percentage of reduction per annum achieved through continual education leading to 10% reduction by 2025 (measured against the 2014 Biennial Waste Audit).                      | 1.5%                  |                             | Data will be reported after the 2016 Biennial Waste Audit which is scheduled for July/August 2016                  |
| Provision of an effective solid waste service for the community.                                   | Average number of complaints received per month regarding solid waste activities.  | ≤ 10                  |                             | On track for achievement.<br><br>Four complaints received for quarter – one July, two August and one in September. |

|                      |              |                   |
|----------------------|--------------|-------------------|
| Achieved or On Track | Not Achieved | No data available |
|----------------------|--------------|-------------------|

## Resource Management

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What We Do<br>(Level Of Service)   | How We Measure Success<br>(Performance Measure)                              | Performance Target | Progress at 30<br>Sept 2015 | Explanation  |
|--|--|--------------------|-----------------------------|--|
| Council will ensure that resource consents are processed in a timely and customer friendly manner so as to facilitate district wide development. | Percentage of notified consents processed within 80 working days of receipt. | 90%                |                             | On track for achievement<br><br>One notified Resource Consent as been processed within the required timeframe. |
|  | Percentage of non-notified consents processed within 20 working days.        | 90%                |                             | On track for achievement<br><br>Non-Notified Consents Processed - 5  |
| All premises where resource consents have been issued will be monitored at least biennially to ensure compliance.                                | Percentage of consented premises visited each year.                          | 50%                |                             | On track for achievement<br><br>2 monitoring inspections have been undertaken to date.                         |

|  |  |   |
|--|--|---|
|  Achieved or On Track |  Not Achieved |  No data available |
|--|--|---|

## Stormwater Drainage

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What we do<br>(level of service)   | How we measure success<br>(performance measure)                                      | Performance Target                             | Progress at 30<br>Sept 2015 | Explanation  |
|--|--|--|-----------------------------|--|
| Stormwater drainage system is adequate and is sufficiently maintained.   | The number of flooding events that occur in the district in a financial year.        | Nil<br>(for less than<br>1 in 2 year<br>event) |                             | On track for achievement.<br><br>No complaints received for first quarter. |
|  | For each flooding event the number of habitable floors affected in a financial year. | ≤ 1 per 1000<br>properties                     |                             | On track for achievement.<br><br>No complaints received for first quarter. |
| Compliance with resource consent conditions for discharge from the Councils urban stormwater system that relate to environmental effects | abatement notices  | 0  | 0                           | Nil received for first quarter.  |
|  | Infringement notices   | ≤2   | 0                           | Nil received for first quarter.  |
|  | enforcement orders   | Nil  | Nil                         | Nil received for first quarter.  |
|  | successful prosecutions<br><br>received by Council within a financial year.          | Nil  | Nil                         | Nil received for first quarter.  |

|  |  |   |
|--|--|---|
|  Achieved or On Track |  Not Achieved |  No data available |
|--|--|---|

|  |   |                                   |  |  |
|--|---|-----------------------------------|--|--|
| The Council responds to failures and request for service in a prompt and efficient way | The median response time to attend a flooding event, (measured from the time that the notification is received to the time that service personnel reach the site) | ≤ 180 minutes (3hrs)              |  | On track for achievement.<br><br>No complaints, no median response time to report.                               |
| The Council provides a reliable stormwater collection service                          | The number of complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.                                  | ≤4 complaints per 1000 properties |  | On track for achievement.<br><br>Three complaints received for the quarter.<br><br>Median response time 1.5 hrs. |

## Sewerage and Treatment and Disposal of Sewage

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What we do<br>(level of service)                                       | How we measure success<br>(performance measure)  | Performance<br>Target                                 | 30 Sept 2015 | Explanation                    |
|--|--|---|--------------|--------------------------------|
| Sewerage System is adequate and is sufficiently maintained.            | Number of complaints received in a financial year about ;<br>sewage odour,<br>sewage system faults,<br>sewage system blockages, and<br>Council's response to issues<br>with the sewage system. | Total<br>complaints<br>per 1000<br>connections<br>≤20 |              | On track for achievement.      |
| Environmental impacts of Sewerage systems will be managed effectively. | Compliance with the Council's resource consents for discharge from its sewerage system, measured by the number of:   |   |              |                                |
|  | abatement notices  | Nil   | 0            | Nil received for first quarter |
|  | infringement notices   | Nil   | 0            | Nil received for first quarter |
|  | enforcement orders   | Nil   | 0            | Nil received for first quarter |
|  | convictions received<br><br>received by Council in a financial year.   | Nil   | 0            | Nil received for first quarter |

|  |   |                             |  |  |
|--|---|-----------------------------|--|--|
| Timely response and resolution for sewage overflows.                               | The median response times for attendance, in a year, measured from the time that the Council receives notification to the time that service personnel reach the site                                    | ≤180 minutes<br>(3hrs)      |  | On track for achievement.                            |
|  | The median response times for resolution, in a year, measured from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault | ≤ 540<br>minutes<br>(9hrs)  |  | On track for achievement.                            |
| Provision of effective and reliable sewerage systems and service to the community. | Number of dry weather sewage overflows from the Council's sewerage system in a financial year.  | ≤ 5 per 1000<br>connections |  | On track for achievement.<br><br>(2,221 connections) |

## Economic Sustainability Group

### Water Supply

#### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What We Do<br>(Level Of Service)  | How We Measure Success<br>(Performance Measure)   | Performance Target   | Progress at 30<br>Sept 2015 | Explanation  |
|---|---|--|-----------------------------|--------------|
| Water supply system is adequate and sufficiently maintained for public health purposes. | The extent to which WDC's drinking water supplies comply with Part 4 of NZ Drinking-water Standards 2005 (revised 2008) (bacteria compliance criteria)  | 100%   |                             | Not Achieved |
|   | The extent to which WDC's drinking water supplies comply with Part 5 of NZ Drinking-water Standards 2005 (revised 2008) (protozoal compliance criteria) | 100%*<br>* Achievement will be based on timing of completion of the Te Kuiti Water Treatment Plant upgrade which is being carried out primarily to ensure compliance with New Zealand Drinking Water |                             | Not Achieved |

| What We Do<br>(Level Of Service)                       | How We Measure Success<br>(Performance Measure)  | Performance<br>Target    | Progress at 30<br>Sept 2015 | Explanation                    |
|--|--|--------------------------|-----------------------------|--------------------------------|
| Water Supply networks are being maintained adequately. | Percentage of real water loss from the Council's networked reticulation system in a financial year in: <ul style="list-style-type: none"> <li>• Te Kuiti</li> </ul>  | ≤ 25%                    |                             | On Track for achievement (22%) |
|  | <ul style="list-style-type: none"> <li>• Mokau</li> </ul>  | ≤ 25%                    |                             | On Track for achievement (22%) |
|  | <ul style="list-style-type: none"> <li>• Piopio</li> </ul>   | ≤ 25%                    |                             | On Track for achievement (22%) |
|  | <ul style="list-style-type: none"> <li>• Benneydale</li> </ul> ('Water Losses' includes real losses through leaks in the network and apparent losses through metering inaccuracies or water theft. This does not include unauthorised consumption) | ≤ 15%                    |                             | On Track for achievement (22%) |
| Timely response and resolution of service requests.    | The median response times for attendance for urgent call-outs in a financial year*   | ≤ 180 minutes<br>(3 hrs) |                             | On track for achievement.      |

| What We Do<br>(Level Of Service)  | How We Measure Success<br>(Performance Measure)   | Performance<br>Target    | Progress at 30<br>Sept 2015 | Explanation   |
|---|---|--------------------------|-----------------------------|---|
|   | The median resolution time of urgent call-outs in a financial year**  | ≤ 540 minutes (9hrs)     |                             | On track for achievement.   |
|   | The median response times for attendance for non-urgent call outs in a financial year*  | ≤ 660 Minutes (11hrs)    |                             | On track for achievement.   |
|   | The median resolution time of non-urgent call-outs in a financial year**<br><br>* from the time that the Council receives notification to the time that the service personnel reach the site.<br>** from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption | ≤ 850 minutes (14.1hrs)  |                             | On track for achievement.<br><br>< 24 hours, as per service request system. |
| Provision of effective and reliable water supply system to the community. | The total number of complaints received for: <ul style="list-style-type: none"> <li>• drinking water clarity</li> </ul>   | ≤ 5 per 1000 connections |                             | Not achieved.<br><br>10 YTD   |

| What We Do<br>(Level Of Service)                            | How We Measure Success<br>(Performance Measure)   | Performance Target              | Progress at 30<br>Sept 2015 | Explanation   |
|---|---|---------------------------------|-----------------------------|---|
|   | <ul style="list-style-type: none"> <li>drinking water taste</li> </ul>  | ≤ 5 per 1000 connections        |                             | Achieved.<br>6 YTD  |
|   | <ul style="list-style-type: none"> <li>drinking water odour</li> </ul>  | ≤ 5 per 1000 connections        |                             | Achieved.<br>7 YTD  |
|   | <ul style="list-style-type: none"> <li>drinking water pressure flow</li> </ul>  | ≤ 5 per 1000 connections        |                             | Not achieved.<br>66 YTD                                       |
|   | <ul style="list-style-type: none"> <li>continuity of supply received by council in a year. (2,558 Connections)</li> </ul> | ≤ 5 per 1000 connections        |                             | Not achieved.<br>34 YTD                                       |
|   | Median response time to any of these issues within a year.  | ≤ 180 minutes                   |                             | On track for achievement.<br>(Median response time two hours) |
| Efficient management of demand for water for the community. | Average consumption of drinking water per day per resident within the district.   | ≤ 400 litres per person per day |                             | On track for achievement.<br>90 Litres per person per day     |

## Roads and Footpaths

### Statement of Service Performance

The Levels of Service and Key Performance Indicators for this Group of Activities are:

| What We Do<br>(Level Of Service)  | How We Measure<br>Success<br>(Performance Measure)   | Performance<br>Target   | Progress at 30 Sept<br>2015 | Explanation  |
|---|--|-------------------------|-----------------------------|--|
| Monitor safety of local roads to assist in planning and prioritising works required to upgrade, maintain or change the condition of the roading environment in order to reach and maintain a specified level of safety. | The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.  | 1<br>(or maintain at 0) | 1                           | On track for achievement.  |
| Maintain the overall condition of local roads to a specified adequate standard  | The average quality of ride on a sealed local road network, measured by smooth travel exposure, in a financial year.<br>(Percentage of measured sealed road lane kilometres not exceeding a NAASRA* roughness count rating of 150 to be at least 90%.) | 90%                     |                             | This is measured biennially and will be reported annually once the data is available.                      |
| Maintain the overall condition of the unsealed roads to a specified adequate standard.  | Percentage of unsealed road metalled each year.  | 15%<br>(of total)       |                             | Seasonal work done in a quarter (generally Spring and Autumn) – Measured at end of financial year 30 June. |

|  |   |                  |              |  |
|--|---|------------------|--------------|--|
| Maintain the overall condition of sealed roads to a specified adequate standard          | Percentage of the sealed local road network that is resurfaced each year.   | 7%<br>(of total) |              | Seasonal work done in a quarter (generally Spring and Autumn) – Measured at end of financial year 30 June.   |
| Maintain the overall condition of footpaths to a specified adequate standard             | The percentage of footpath network that falls within a condition rating of <b>3</b>                               | 90%              |              | Not measureable until end of contractual year (end of September – when annual footpath report is due from contractor).   |
| Manage the timeliness and appropriateness of responses to problems and service requests. | The percentage of customer service requests relating to roads and foot paths responded to within 10 working days. | 95%              | Not Achieved | Total of 73 service requests received for quarter, of which 66 were achieved and 7 were not achieved. Resulting in 90% average over quarter. Month of July achieved, but August and September were not achieved. |

\* NAASRA is a generally acceptable measure of road roughness. A NAASRA count of less than 150 indicates an acceptable level of ride comfort.

**Document No:** 376346**File No:** 037/013/2015AR**Report To: Council****Meeting Date:** 28 October 2015**Subject:** Adoption of 2014/15 Draft Annual Report

### **Purpose of Report**

- 1.1 The purpose of this business paper is to present the Draft 2014/15 Annual Report for Council's consideration and adoption.

### **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 There is potential risk that some revenue included in the financial statements is subsequently not converted to cash or cash equivalents. The raising of invoices and recognition of income is carried out with management review and approval to minimise this risk. Trade debtors and other receivables are actively monitored and reviewed. The risk is also mitigated by the recognition of a provision for doubtful debt at 30 June 2015.
- 3.2 There is a risk that the accounting estimates and judgements used when performing valuations over infrastructural assets may not reflect the assets actual condition or, the useful lives do not reflect the actual consumption of benefits of the asset. To minimise this risk, infrastructural asset valuations have been determined in reference to industry guidelines and adjusted for local conditions. Asset inspections, deterioration and condition modelling are also carried out as part of asset management planning.
- 3.3 There is a risk that the financial results and position stated within this report is materially different for those assets were not revalued at 30 June 2015. These assets include roads and solid waste assets. To minimise this risk, an assessment of the fair value of significant assets in between revaluation years has been completed by external valuers.
- 3.4 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 need to be corrected in a later report.
- 3.5 Included in financial assets is the carrying value for Council's investment in Inframax Construction Limited. There is potential risk that the carrying value is different from the investment's fair value as the last independent valuation was undertaken as at 30 June 2014.

## Background

- 3.1 Council received the Interim Financial Report (IFR) for the year ended 30 June 2015 at the 29 September 2015 Council meeting.
- 3.2 As well as presenting the Draft Annual Report for Council's consideration this report also provides a summary of changes made since the IFR and commentaries on Council and Group results.
- 3.3 Council's auditors (Deloitte) will be in attendance at the Council meeting to discuss the audit and to present the audit opinion.

## Changes between Interim Financial Report and Draft Annual Report

### 4.1 Statement of Comprehensive Revenue and Expense (page 62)

- 4.2 There was one minor change to the reported surplus of \$5.074 million presented in the IFR at the 29 September meeting. The final surplus for the year is **\$5.179 million**. The change was from finalising the revaluation for Investment Property with a correction to the gain on revaluation of \$124,000 from \$81,000 to \$205,000 and the removal of the gain from Assets held for sale of \$19,000.
- 4.3 Total Comprehensive Revenue and Expense increased from \$5.170 million in the IFR to \$10.198 million. The increase was due to finalising the gain on revaluation of water, sewerage and stormwater asset classes of \$4.923 million and the changes to the gain on revaluation of Investment Property and Assets held for sale as discussed in 4.2 above.
- 4.4 There were minor changes made through the reclassification of items (either as revenue or expenditure) from those in the IFR, meaning the total revenue and total expenditure amounts have changed without impacting on the reported net result. These changes are summarised in the following table:

| Description<br>\$000's  | Rates<br>Revenue | Other<br>Revenue | Expenditur<br>e | Surplus      | Total<br>Other<br>Compre<br>nsive<br>Revenue<br>and<br>Expense | Total<br>Compre<br>nsive<br>Revenue<br>and<br>Expense<br>for the<br>year |
|---|------------------|------------------|-----------------|--------------|--|--|
| <b>Total reported in IFR</b>  | <b>17,823</b>    | <b>12,107</b>    | <b>24,856</b>   | <b>5,074</b> | <b>96</b>  | <b>5,170</b>   |
| Rates paid on Council properties removed from revenue and expenditure | (339)            | 0                | (339)           | 0            | 0  | 0  |
| Correction of gain in investment property and assets held for sale    | 0                | 105              | 0               | 105          | 0  | 105  |
| Sundry revenue netted off in the IFR                                  |                  | 11               | 11              | 0            | 0  | 0  |
| Gain on revaluation of water, wastewater and stormwater assets        | 0                | 0                | 0               | 0            | 4,923  | 4,923  |
| <b>Total Amount Reported in Draft</b>                                 | <b>17,484</b>    | <b>12,223</b>    | <b>24,528</b>   | <b>5,179</b> | <b>5,019</b>   | <b>10,198</b>  |

| Description<br>\$000's | Rates<br>Revenue | Other<br>Revenue | Expenditur<br>e | Surplus | Total<br>Other<br>Comprehe<br>nsive<br>Revenue<br>and<br>Expense | Total<br>Comprehe<br>nsive<br>Revenue<br>and<br>Expense<br>for the<br>year |
|------------------------|------------------|------------------|-----------------|---------|--|--|
| <b>Annual Report</b>   |                  |                  |                 |         |  |  |

#### 4.5 **Statement of Financial Position (page 64)**

4.6 Total equity increased by \$2.829 million from the IFR. This was a result of the gain on the revaluation of \$4.923 million for water, waste water and stormwater assets and the net change in the gain on revaluation of Investment property and Assets held for sale of \$105,000. In addition to this a prior period adjustment of \$2.199 million was also made to opening equity as a result of removing duplicate assets that were included in the 2012 asset revaluation. These assets were identified as duplicate assets as part of the 2015 revaluation process undertaken. As the error impacted on prior years results the adjustment has been made to opening equity.

4.7 The changes from the IFR are summarised in the table as follows:

| Description<br>\$000's     | Interim<br>Financial<br>Report (IFR) | Reclassification<br>of items | Prior period<br>adjustment | Revaluation<br>of assets | Draft Annual<br>Report |
|----------------------------|--------------------------------------|------------------------------|----------------------------|--------------------------|------------------------|
| Total Equity               | 284,781                              | 0                            | (2,199)                    | 5,028                    | 287,610                |
| Current Assets             | 8,158                                | 0                            | 0                          | 0                        | 8,158                  |
| Current Liabilities        | 15,135                               | 8                            | 0                          | 0                        | 15,143                 |
| Non Current Assets         | 329,594                              | 0                            | (2,199)                    | 5,028                    | 332,423                |
| Non Current<br>liabilities | 37,836                               | (8)                          | 0                          | 0                        | 37,828                 |

### **Draft 2014/15 Annual Report Highlights**

#### 5.1 **Statement of Comprehensive Revenue and Expense (page 62)**

5.2 The 2014/15 budget in Council's Exception Annual Plan provided for a surplus of \$2.566 million. The actual result was \$5.179 million. The main variances are detailed below.

#### 5.3 **Revenue**

5.4 Revenue was \$1.1 million more than budget due to:

- Interest revenue was \$0.11 million more than budget.
- Fees and Charges were \$0.8 million more due to additional trade waste revenue being received. The additional revenue is from exceedance charges where nutrient levels are more than the allowable limits.

- Other revenue was \$0.50 million more due to contributions for carpark renewals, railway security fencing and the Piopio Hall. Gains were also recognised for revaluation of investment property.
- These increases in revenue were offset by rates revenue being less than budget by \$0.27 million. This was the result of excluding rates revenue on Council owned properties. The budget figure includes the rates revenue paid on Council owned properties.
- Subsidies and grants were also \$0.13 million less than budget. This is the net result of no subsidy being received on Te Kuiti water treatment plant upgrade due to delays in the project and additional grant revenue being received for the redevelopment of the railway station buildings.

## 5.5 **Expenditure**

5.6 Expenditure was \$1.5 million less than budget and the key contributing factors were:

- Finance costs were \$0.63 million less than budget due to a reduced public debt level than what was budgeted for and interest rates were less than anticipated at the time the budget was prepared.
- Depreciation costs were \$0.6 million less than budget due to the delay in the completion of the Te Kuiti water treatment plant upgrade. The budget assumed that the asset would have been completed in the 2013/14 year. Depreciation on the Te Kuiti waste water treatment plant assets was also less than was anticipated at the time the budgets were prepared. Roads depreciation was also lower than expected as a result of the revaluation at 30 June 2014.
- Community Service costs were \$0.59 million less than budget due to rates paid on Council owned properties being excluded. The budget figure includes rates on Council owned properties. Repairs and maintenance expenditure was also less than budget as this work is only carried out as required.
- Community Development costs were \$0.26 million more than budget due to additional rates and penalty remission applications being processed during the year.

## 5.7 **Statement of Financial Position (page 64)**

5.8 Total equity was \$11.3 million more than expected due to:

- The surplus was \$2.6 million more than budget.
- The increase in revaluation reserve of \$5.8 million as a result of the revaluation of water, waste water, stormwater and land and buildings assets.
- The gain on revaluation of assets available for sale reserve for the increase in value of the investment in Inframax Construction Ltd of \$2.6 million in the 2013/14 year also contributed to this result as the increase in equity from the gain was not included in the budgets.

5.9 Current assets were \$2.2 million more due to a higher level of cash and cash equivalents at balance date than was anticipated at the time the budget was

prepared. This was offset slightly by a reduced level of Receivables than what was expected.

- 5.10 Current liabilities were \$5.5 million more than budget due to a greater portion of borrowings being recognised as current than when the budget was prepared.
- 5.11 Non current assets were \$2.1 million more than expected due to the increase in the value of Other Financial Assets from the valuation of Inframax Construction Ltd of \$2.6 million in the 2013/14 year. Property, plant and equipment and investment property was more than budget due to the asset revaluations.
- 5.12 Non current liabilities were \$12.7 million less than budget due to a lesser portion of borrowings being recognised as non current than when the budget was prepared. Derivative financial instruments were also \$0.58 million more than expected.
- 5.13 Rates receivable increased from \$3,824,000 outstanding at 30 June 2014 to \$3,973,000 at 30 June 2015 (an increase of \$149,000). Of the \$3,824,000 receivable at June 2014, this has now reduced to \$2,692,000 (a reduction of \$1,132,000). This reduction is a combination of cash received \$689,000 and remissions and amendments to the RID processed during the year \$443,000 and represents the successful debt recovery actions implemented by staff during the year.
- 5.14 The reduction of \$1,132,000 of June 2014 receivables was offset by the receivables relating to 2014/15 year of \$1,281,000 to give an overall increase in receivables of \$149,000 at June 2015.

5.15 **Capital Expenditure (page 19)**

- 5.16 Total capital expenditure for the year ended 30 June 2015 was \$10.663 million against a budget of \$10.838 million.
- 5.17 Capital expenditure on Water Supply assets was \$0.5 million more than budget. The Te Kuiti water treatment plant upgrade was significantly advanced during the year with the completion of phase 1 and 2 of the project. Some of the budget for this project was included in the 2013/14 year.
- 5.18 Capital expenditure on Community Services assets was \$0.8 million more than budget due mainly to the restoration of the Railway Station Buildings.
- 5.19 Capital expenditure was under budget on Solid waste assets (\$0.3 million), Roads assets (\$0.5 million) and Sewerage assets (\$0.4 million).

5.20 **Borrowings and Reserves**

- 5.21 Council's 2012-22 Long Term Plan (LTP) provided annual forecasts for the levels of borrowings and reserve funds. The following tables illustrate favourable trends in the levels of borrowings and reserve funds over the last 3 financial years:

| \$000's                    | 30 June |         |         |
|----------------------------|---------|---------|---------|
|                            | 2012/13 | 2013/14 | 2014/15 |
| <b>Borrowings</b>          |         |         |         |
| Forecast Public Debt (LTP) | 48,086  | 49,890  | 52,120  |

|                          |               |                |                |
|--------------------------|---------------|----------------|----------------|
| Actual Public Debt       | 45,182        | 44,865         | 46,139         |
| <b>\$ Trend</b>          | <b>-2,904</b> | <b>-5,025</b>  | <b>-5,981</b>  |
| <b>% Trend</b>           | <b>-6.0%</b>  | <b>-10.0%</b>  | <b>-11.4%</b>  |
| <b>Reserves</b>          |               |                |                |
| Forecast Reserves (LTPs) | 2,765         | 2,826          | 2,243          |
| Actual Reserves          | 5,277         | 9,083          | 9,850          |
| <b>\$ Trend</b>          | <b>2,512</b>  | <b>6,257</b>   | <b>7,607</b>   |
| <b>% Trend</b>           | <b>+90.8%</b> | <b>+221.4%</b> | <b>+339.1%</b> |

- 5.22 These trends show that the actual borrowings have been reducing over the last 3 years and the actual debt was considerably less than forecast. This is despite major capital investment (\$32.79 million) having been made over the last 3 years, (particularly on water, waste water assets and community services for the District's communities), Council has managed to fund those works from subsidies and available reserves and also reducing its debt where possible.
- 5.23 This is a positive result for Council indicating that Council's debt is being well managed and under control.
- 5.24 **Group Performance**
- 5.25 The Group's overall performance for the year was an after-tax profit of \$6.0 million.
- 5.26 The initiatives put in place over the last several years have been successful and show in the improved financial performance of the subsidiary.
- 5.27 Inframax Construction Ltd and Independent Roadmarkers Taranaki Ltd have reported a net profit before tax of \$0.87 million for the year ended 30 June 2015. This is a positive result given the tough market conditions that the company continues to operate under and is well up on the previous years combined net profit before tax of \$0.38 million. This is a reflection of the hard work and effort of the Board of Directors and Management.
- 5.28 **Group Balance Sheet**
- 5.29 At 30 June 2015 total equity for the Group was \$287 million. There was an \$11.2 million increase in equity reflecting the Group's after tax profit of \$6.0 million.
- 5.30 Current assets increased by \$1.9 million mainly due to increases in cash and cash equivalents, and an increase in receivables.
- 5.31 Overall current liabilities increased by \$10.3 million mainly due to an increase in the current portion of borrowings offset by a decrease in payables.
- 5.32 Non-current liabilities decreased by \$9.4 million due mostly to a decrease in non current borrowings offset by an increase in derivative financial instruments.
- 5.33 Non-current assets increased by \$10.2 million due mostly to the increase in property, plant and equipment assets and investment property at 30 June 2015.

5.34 **Statement of Service Performance (Key Performance Indicators)**

5.35 The Statements of Service Performance provide detailed information on the performance measures and targets for each of the significant activities. The performance summary is given on pages 16-17 of the Draft Annual Report with more detailed information disclosed within each activity on pages 25-59 of the Draft Annual Report.

5.36 Of the 63 key performance indicators measured, 48 (76%) were achieved, 14 (22%) were not achieved and 1 (2%) was not measurable during 2014/15.

5.37 The 'not measurable' result related to the development and implementation of the Economic District Board Strategy, which Council has confirmed its intention not to proceed with.

5.38 Since the Interim Financial Report was presented, the Stormwater Drainage key performance target of '90 percent of urgent requests dealt with within one working day' was updated to Not Achieved. A total of 5 requests were received for the year, with 80% (4 out of 5) being dealt with within one working day, and 20% (1 request) not being completed within the required timeframe. In the particular instance, the target was not achieved as WDC and the contractor had to wait until the water drained away from the site before work could commence.

5.39 **Audit**

5.40 At the time of writing this business paper, the audit of the 2014/15 Annual Report has not been completed. There could potentially be changes to the Draft 2014/15 Annual Report document (which has been circulated to Council separate to this paper) as part of the Audit process.

5.41 The reviewed and updated documented containing any changes resulting from the Audit, will be tabled at the Council meeting. Auditors will also be present at the meeting to report on the Audit process and present the Audit report.

|                                     |
|-------------------------------------|
| <p><b>Suggested Resolutions</b></p> |
|-------------------------------------|

- 1 The business paper on 2014/15 Draft Annual Report be received.
- 2 The Chief Executive be delegated authority to ensure any formatting/grammatical changes and feedback is accurately reflected in the Final Annual Report prior to publication.
- 3 The audited 2014/15 Draft Annual Report be adopted.

VIBHUTI CHOPRA  
**GROUP MANAGER – CORPORATE SERVICES**

22 October 2015

Separate Attachment: 1 2014/15 Draft Annual Report (377615)

**Document No:** 377634**File No:** 037/043**Report To: Council****Meeting Date:** 28 October 2015**Subject:** Motion to Exclude the Public for the Consideration of Council Business

### Purpose of Report

- 1.1 The purpose of this business paper is to enable the Council to consider whether or not the public should be excluded from the consideration of Council business.

### Commentary

- 2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives Council the right by resolution to exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the grounds contained within that Section.

### Suggested Resolutions

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 Council agree the following staff, having relevant knowledge, remain in attendance to assist Council with its decision making: ...
- 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:

| <b>General Subject of each matter to be considered</b>  | <b>Reason for passing this resolution in relation to each matter</b>   | <b>Section 48(1) grounds for this resolution</b> |
|---|--|--|
| 1. Deputation: Le Pine & Co – Mokau Sands Ltd -v- Waitomo District Council – Resource Management Act Appeal | 7(2)(h) Maintain legal professional privilege  | 48(1)(a)   |
| 2. Deputation: Deloitte – Presentation of Audit Opinion for 2014/2015 Annual Report                         | 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)   |

| 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 |
|--|--|---|
| 3. King Country Hoiho Maniapoto Education Programme Proposal and Land Requirement                        | 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: Waitomo Village Water and Wastewater Services - Current Position and Process Forward | 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)                                  |
| 5. Progress Report: Te Kuiti Meat Processors Ltd – Trade Waste Charges                                   | 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)                                  |
| 6. Inframax Construction Limited – 2015 Annual General Meeting   | 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.



MICHELLE HIGGIE  
**EXECUTIVE ASSISTANT**