Western Bay of Plenty District Council

Annual Report
for the year ended 30 June 2010

Prepared under New Zealand equivalents to International Financial Reporting Standards
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Statement of compliance

Western Bay of Plenty District Council hereby confirms that all statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.

Ross Paterson  
His Worship The Mayor  
Western Bay of Plenty District

Glenn Snelgrove  
Chief Executive Officer  
Western Bay of Plenty District Council
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Chief Executive’s Report

Constrained economic conditions, primarily due to the ongoing effects of the global recession, continued to drive much of Council’s decision making in 2009/10.

In preparing the work programme for the year Council reviewed all its capital expenditure plans for the next ten years and reduced the total by $36m to $332m, by either delaying the timing to later in the 2009-2019 Long Term Plan or deferring them beyond 2019.

This work enabled Council to keep the District Rate increase for the average ratepayer during the 2009/10 year to 4.1% (including inflation) and deliver sustainable levels of service that addressed social, cultural, environmental and economic needs of the District.

Fundamental to this was a focus on helping communities to help themselves through the ongoing development and implementation of Comprehensive Development Plans for each of the District’s communities (Katikati, Maketu, Omokoroa, Te Puke, Te Puna and Waihi Beach).

These plans, together with a range of other initiatives (such as Built Environment Strategies and Town Centre Plans), continued to drive an integrated approach to policy and infrastructure development, implementation and monitoring.

This approach was evidenced by ongoing work at Maketu and Little Waihi to develop a community wastewater scheme to address environmental issues mainly caused by the inadequacy of existing septic tank systems.

With affordability a major concern for residents, Council successfully lobbied central government to subsidise the $15.2m cost by $10.5m and sought further assistance from the Bay of Plenty Regional Council through a $2.1m subsidy. Council is loan funding the balance of $2.6m.

Work on the $2.8m coastal protection project at Waihi Beach commenced during the year. The project, which includes the building of ‘groynes’ (textile containers filled with five tonnes of sand) to prevent dune erosion and the construction of a 590 metre long rock revetment to protect beachfront properties is fundamental to securing the future of this growing coastal community.

Recreation and leisure remained a focus, particularly in the context of Council’s role in the sub-regional SmartGrowth partnership with Tauranga City Council, Environment Bay of Plenty, regional council and tangata whenua.

The $8.8m ($50% funded by Council and 50% funded by Tauranga City Council) 1,638ha TECT All Terrain Park and $1.2m, 8.7ha Huharua Harbour Park at Plummers Point are tangible examples of SmartGrowth meeting the recreation and leisure (play) needs of the sub-region.
At the heart of SmartGrowth is a fifty year planning framework to sustainably accommodate the “live”, “work” and “play” needs of a forecast population of 286,335 in the Tauranga and Western Bay of Plenty sub-region by 2050.

Huharua Harbour Park was completed during 2009/10 and the TECT All Terrain Park will be open to accommodate the needs of active outdoor enthusiasts, for example equestrian, mountain biking and mountain sports by the end of 2010.

SmartGrowth also delivered significant results in the area of transportation during the year, primarily through agreement with Government to give the $455m Tauranga Eastern Link (TEL) the green light. As one of seven roads of ‘national significance’ the 23km TEL will provide a safer travel route between Tauranga and Paengaroa and provide a more direct route for the District’s primary exporters, such as Zespri Limited, to get millions of dollars of export product to the Port of Tauranga.

2009/10 marked the eighth operational year of the Council’s 10 year $125 million performance based roading contract (PBC) which was launched in 2002 with contract partner New Zealand Transport Agency (formerly Transit NZ).

This contract has continued to provide significant savings in scheduled roading expenditure and is currently on track to meet all performance measures by the end of the contract in 2012.

Despite the continued and prolonged economic downturn, Council has reported a net surplus of $830,000 compared to a budgeted surplus of $2.55 million.

There was a $2.6 million, non-cash expense from a devaluation of Council’s interest rate hedges. This is an unrealized loss that will be recouped over the next few years as the economy improves. This non-cash loss has been offset by some real savings in Council’s utilities operations as a result of more favourable terms being negotiated in our network maintenance contracts.

The Council balance sheet has continued to strengthen with asset values increasing through revaluations by $8.53 million compared to budget of $7.86m as well as lower debt levels than 2008/2009 by $4 million.

As the organisation moves into 2010/11 there are signs that the worst of the global recession is over and in this context Council forecasts a stronger financial result over the next 12 months.

In closing I would like to thank elected members and Council staff for their cooperation and willingness to work as a team for the benefit of residents across the Western Bay of Plenty District.

Glenn Snelgrove
Chief Executive Officer
Role of this Annual Report

Purpose

This Annual Report is provided to compare the Council’s actual performance for the year against what was forecast in the Annual Plan.

An Annual Report is required by Section 98f of the Local Government Act, 2002.

Relationship to other key documents

Under the Local Government Act, 2002, a Local Authority must prepare and adopt the following documents:-

Annual Report (Section 98)

Annual Plan (Section 95)

Long Term Council Community Plan (Section 93)

Bringing the planning process together

Community Outcomes
How the Community wants the District to be

Long Term Council Community Plan
How Council will go about achieving the Community Outcomes

Annual Report
What was achieved

Annual Plan
Annual Budget
District profile

Western Bay of Plenty District Council is the local government authority serving the Western Bay of Plenty located in the North Island of New Zealand. The Council’s catchment area covers 212,000 hectares and consists of 5 Wards, Waihi Beach, Katikati, Kaimai, Te Puke and Maketu.

With 42,075 people, the Western Bay of Plenty District has 1% of the total population of New Zealand.\(^1\)

The District is less ethnically diverse than the New Zealand population as a whole and is dominated by Europeans (72.8%) and Maori (17.4%), and contains smaller proportions of Pacific Island (1.8%) and Asian people (2.5%)\(^1\), other (5.5%).

The District is characterised by a larger proportion of older (65 years and over) people than the national average, 15.5% compared with 12.3% for New Zealand. This is reflected in a higher median age of 41.0 years for residents within the District compared with 35.0 years for the total New Zealand population\(^1\).

The District has a similar proportion of younger people (under 15 years) as the national average, with 21.6% compared with 21.5%.

Approximately 40% of the District’s population live in urban areas.

Population characteristics vary significantly within the District. For example, Omokoroa is characterised by an older population base while Maketu is dominated by a more youthful, Maori population\(^1\).

Western Bay of Plenty is a growth district. Over the period 2001-2006 the population of the District increased by 10.1%, the principal source of this growth was through migration. This trend is anticipated to continue over the next 20 years, with a projected District population of 60,268 in 2026\(^2\).

Between 2001 and 2006, Katikati was the fastest growing area in the District and during this time the population grew by 22.7%. Most areas in the District experienced population growth since the last Census in 2001. However, Waihi Beach, Island View-Pios Beach and Matakania Island all experienced a decline in population, by 7.2%, 7.9% and 22.7% respectively.

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\(^1\) Statistics NZ, 2006 Census (usually resident population count). Ethnicity statistics reflect that people identify with more than one ethnic group.

\(^2\) Western Bay of Plenty District Council population projections by University of Waikato (December 2002), updated April 2007
The number of people aged 15 years or over within the District with no formal qualifications (28.9%) is higher than the national average (25.0%).

52.6% of householders in the District own or partly own their homes and an additional 20.8% are owned through a family trust.

Couples without children make up 46.5% of all families in the Western Bay of Plenty District. 13.9% are one parent families and couples with children make up the remaining 39.6%.

60.6% of households in the District have access to the internet, compared with 34.6% five years ago.
Governance structure

Mayor
Ross Paterson

Kaimai Ward
Don Thwaites

Kaimai Ward
Jo Gravit

Kaimai Ward
Norm Bruning

Kaimai Ward
Margaret Murray-Benge

Katikati Ward
Sam Dunlop
Deputy Mayor

Katikati Ward
Mike Williams

Maketu Ward
Sue Matthews

Maketu Ward
Kevin Marsh

Te Puke Ward
Maureen Burgess

Te Puke Ward
Paul Thomas

Te Puke Ward
Michael Jones

Waihi Beach Ward
Ross Goudie
## Committees and membership

### Council

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chair</th>
<th>Deputy Chair</th>
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<tbody>
<tr>
<td><strong>His Worship the Mayor, Ross Paterson</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cr Sam Dunlop (Deputy Mayor)</strong></td>
<td><strong>Cr Kevin Marsh</strong></td>
<td><strong>Cr Sue Matthews</strong></td>
</tr>
<tr>
<td><strong>Cr Norm Bruning</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
<td><strong>Cr Paul Thomas</strong></td>
</tr>
<tr>
<td><strong>Cr Maureen Burgess</strong></td>
<td><strong>Cr Don Thwaites</strong></td>
<td><strong>Cr Mike Williams</strong></td>
</tr>
<tr>
<td><strong>Cr Ross Goudie</strong></td>
<td><strong>Cr Jo Gravit</strong></td>
<td><strong>Cr Michael Jones</strong></td>
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### Sustainable Communities

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<tr>
<th>Committee</th>
<th>Chair</th>
<th>Deputy Chair</th>
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<tbody>
<tr>
<td><strong>Cr Jo Gravit (Chair)</strong></td>
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<tr>
<td><strong>Cr Norm Bruning</strong></td>
<td><strong>Cr Sue Matthews</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
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<tr>
<td><strong>Cr Don Thwaites</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
<td><strong>Cr Mike Williams</strong></td>
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### Regulatory Hearings

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<tr>
<th>Committee</th>
<th>Chair</th>
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<tr>
<td><strong>Cr Michael Jones (Chair)</strong></td>
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<tr>
<td><strong>Cr Paul Thomas (Deputy)</strong></td>
<td><strong>Cr Ross Goudie</strong></td>
<td><strong>Cr Margret Gravit</strong></td>
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<tr>
<td><strong>Cr Sue Matthews</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
<td><strong>Cr Mike Williams</strong></td>
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### Maori Forum

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<tr>
<th>Committee</th>
<th>Chair</th>
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<tr>
<td><strong>Mayor Ross Paterson (Deputy)</strong></td>
<td><strong>Cr Norm Bruning</strong></td>
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<tr>
<td><strong>Cr Sam Dunlop</strong></td>
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<td><strong>Cr Jo Gravit</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
<td><strong>Cr Mike Williams</strong></td>
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<tr>
<td><strong>Cr Michael Jones</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
<td><em><em>TCC</em> Cr Bill Faulkner</em>*</td>
</tr>
<tr>
<td><strong>Cr Sue Matthews</strong></td>
<td><em><em>TCC</em> Cr Murray Guy</em>*</td>
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### Sub-Regional Parks

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<tr>
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<td><strong>Cr Jo Gravit</strong></td>
<td><strong>Cr Margaret Murray-Benge</strong></td>
<td><em><em>TCC</em> Cr Margaret Murray-Benge</em>*</td>
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<td><strong>Cr Margaret Murray-Benge</strong></td>
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<td><em><em>TCC</em> Cr Bill Faulkner</em>*</td>
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<tr>
<td><em><em>TCC</em> Cr Murray Guy</em>*</td>
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### Services Committee

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<tr>
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<tr>
<td><strong>Cr Paul Thomas (Chair)</strong></td>
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<tr>
<td><strong>Cr Mike Williams (Deputy)</strong></td>
<td><strong>Mayor Ross Paterson</strong></td>
<td><strong>All Councillors</strong></td>
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<tr>
<td><strong>Mayor Ross Paterson</strong></td>
<td><strong>All Councillors</strong></td>
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<td><strong>All Councillors</strong></td>
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### District Plan Committee

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<tr>
<th>Committee</th>
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<th>Deputy Chair</th>
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<tr>
<td><strong>Cr Ross Goudie (Chair)</strong></td>
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<tr>
<td><strong>Mayor Ross Paterson</strong></td>
<td><strong>All Councillors</strong></td>
<td><strong>Cr Sue Matthews</strong></td>
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<td><strong>All Councillors</strong></td>
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### Policy and Planning Committee

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<thead>
<tr>
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<th>Deputy Chair</th>
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<tbody>
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<td><strong>All Councillors</strong></td>
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### Discretionary Grants Sub Committee

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<tr>
<th>Committee</th>
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<tr>
<td><strong>Cr Margaret Murray-Benge (Chair)</strong></td>
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<tr>
<td><strong>Mayor Ross Paterson</strong></td>
<td><strong>Cr Mike Williams</strong></td>
<td><strong>Cr Sue Matthews</strong></td>
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</table>

*TCC – Tauranga City Council*
Community Board representatives

**Katikati Community Board**
- Member Bruce Duske (Chair)
- Member Brendan Gibbs (Deputy)
- Member Neil Sole
- Member Sue Williams
- Cr Sam Dunlop
- Cr Mike Williams

**Maketu Community Board**
- Member John Doggett (Chair)
- Member Carol Poihipi (Deputy)
- Member Trevor Hughes
- Member Stephan Simpson
- Cr Kevin Marsh
- Cr Sue Matthews

**Omokoroa Community Board**
- Member Glenn Whittaker (Chair)
- Member Robert Hicks
- Member Garry Webber
- Member Gordon Taylor
- Cr Norm Bruning
- Cr Jo Gravit

**Te Puke Community Board**
- Member Karyl Gunn (Chair)
- Member Peter Miller (Deputy)
- Member Heather Firth
- Member Graeme Walker
- Cr Michael Jones
- Cr Paul Thomas
- Cr Maureen Burgess

**Waihi Beach Community Board**
- Member Trish Coates (Chair)
- Member Murray Craig (Deputy)
- Member Ali Lawn
- Member Peter Hassell
- Cr Ross Goudie
Organisational overview

Chief Executive Officer

Policy and Planning
- Resource Management
  - District Plan
  - Structure Planning
- Policy and Strategy
  - Community Outcomes
  - Strategic, Corporate, Infrastructure and Reserves Planning
  - Comprehensive Development Planning
- Revenue and Finance Policy
- Strategic and Environmental Monitoring
- Long Term Council Community Plan (LTCCP)

Community Development
- Social (including crime prevention)
- Local Economic
- Cultural
- Environment (future)

Community Funding
Community Planning

Finance and Corporate Development
- Financial Policy and Overview
- Financial Auditing
- Treasury
- Risk Management
- Rates and Levies
- Income
- Expenditure
- Finance
- Performance Analysis
- Quality Management Systems/ OSH
- Corporate Development
- Corporate Plan
- Annual Plan
- Annual Report

Assets and Engineering
- Roading
  - Roading Network
  - Asset Management
- Utilities
  - Utilities Asset Management
  - Wastewater
  - Stormwater
  - Potable Water
  - Solid Waste
- Parks and Reserves
  - Parks
  - Reserves
  - Esplanades
  - Wharves
  - Jetties
  - Property
  - Cemeteries
- Emergency Management
  - Response Capabilities
- Management Support
  - Secretarial/Support Services
  - Legal Administration
  - Fleet Management
  - Litter Control

Customer and Business Services
- Information Technology
- Geographic Information Systems
- Systems
- Information Systems
- Electronic Document Management System (EDMS)
- Secretarial/Support Services
- Bylaws
- Governance
- Customer Services
- Information Centres
- Library Services
- Regulatory
  - Resource Consents
  - Building and Health
  - Animal Control/Parking Control
  - Compliance and Enforcement
  - Land Information Memorandums

CEO
- Human Resources
- Communications
- Personal Assistance to Chief Executive and Mayor
Revenue and expenditure analysis charts

Council Revenue 2009/10 (excluding vested assets)

Council Capital and Operating Expenditure 2009/10 (excluding vested assets)
# Five year summary

## Financial overview

### Council five year financial performance summary

<table>
<thead>
<tr>
<th></th>
<th>2010 $000</th>
<th>2009 $000</th>
<th>2008 $000</th>
<th>2007 $000</th>
<th>2006 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rates revenue</td>
<td>42,899</td>
<td>41,113</td>
<td>38,031</td>
<td>35,051</td>
<td>31,946</td>
</tr>
<tr>
<td>Vested assets revenue</td>
<td>2,905</td>
<td>331</td>
<td>2,554</td>
<td>3,813</td>
<td>7,732</td>
</tr>
<tr>
<td>Financial contributions revenue</td>
<td>5,003</td>
<td>3,783</td>
<td>5,191</td>
<td>9,323</td>
<td>9,008</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>67,096</td>
<td>66,859</td>
<td>59,473</td>
<td>44,967</td>
<td>45,706</td>
</tr>
<tr>
<td>Total operating revenue</td>
<td>67,928</td>
<td>61,057</td>
<td>60,190</td>
<td>70,946</td>
<td>61,849</td>
</tr>
<tr>
<td>Operating surplus/(deficit)</td>
<td>830</td>
<td>(8,493)</td>
<td>737</td>
<td>26,158</td>
<td>16,152</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>24,654</td>
<td>23,083</td>
<td>27,657</td>
<td>61,406</td>
<td>37,786</td>
</tr>
<tr>
<td>Working capital (deficit)</td>
<td>(34,764)</td>
<td>(5,738)</td>
<td>(26,404)</td>
<td>(13,427)</td>
<td>(18,170)</td>
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<tr>
<td>External debt</td>
<td>122,514</td>
<td>126,517</td>
<td>96,120</td>
<td>85,773</td>
<td>49,876</td>
</tr>
<tr>
<td>Fixed assets (net book value)</td>
<td>1,082,876</td>
<td>1,064,434</td>
<td>965,938</td>
<td>953,657</td>
<td>767,905</td>
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### Council five year financial statistics summary

<table>
<thead>
<tr>
<th></th>
<th>2010 $000</th>
<th>2009 $000</th>
<th>2008 $000</th>
<th>2007 $000</th>
<th>2006 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion of rates to total operating revenue</td>
<td>0.63</td>
<td>0.67</td>
<td>0.63</td>
<td>0.49</td>
<td>0.52</td>
</tr>
<tr>
<td>External debt as a percentage of total assets</td>
<td>0.11</td>
<td>0.12</td>
<td>0.11</td>
<td>0.10</td>
<td>0.06</td>
</tr>
<tr>
<td>External debt per rateable property ($000s)</td>
<td>6.23</td>
<td>6.47</td>
<td>5.03</td>
<td>4.59</td>
<td>2.70</td>
</tr>
<tr>
<td>Rateable properties</td>
<td>19,674</td>
<td>19,551</td>
<td>19,140</td>
<td>18,671</td>
<td>18,373</td>
</tr>
</tbody>
</table>
Council’s business scorecard

Council’s business scorecard ensures an integrated approach to delivering the environmental, economic, cultural and social outcomes in its Long Term Council Community Plan (LTCCP).

Achieving the outcomes in the business scorecard involves focusing on seven perspectives:

1. Leadership
2. Protecting the Environment
3. Building Communities
4. Supporting the Economy
5. Community and Customer Care
6. Internal Processes
7. Learning and Innovating

The seven perspectives are linked to the District Vision (where the people of the Western Bay of Plenty District want to go), Council’s operational mission (what Council is doing to help meet the District Vision) and the organisation’s values (how Council staff work to deliver the operational mission).

The business scorecard diagram illustrates how the vision, mission and values line up with the perspectives that underpin the environmental, economic, cultural and social outcomes in the LTCCP.

Monitoring trends in the business scorecard

A series of activities underpin each external outcome in the LTCCP. For example, the ‘Leadership’ outcome is made up of ‘Representation’ and ‘Sustainable Development’ activities.

For each activity two key measures have been identified. These measures monitor Council’s performance and resident perception.
Trends, monitoring and results

Council financial performance – the financial performance index has been developed to monitor Council’s financial trends and level of compliance with its Treasury Policy. Council’s target for the next 10 years is 1.00. In 2010 Council met this target.

Resident satisfaction with Council performance – this monitors the level of resident satisfaction with opportunities to participate in decision making and the level of representation. This is a 3 yearly survey. The target is 55% and the 2009/10 survey revealed a satisfaction level of 54%.

Actions completed by Council as defined in the Sustainable Development Action Plan – Council completed 83% of the actions scheduled for 2010 against a target of 90%. Delays were experienced in regard to the Maketu/Little Waihi wastewater scheme resource consent hearings, community landscape plans and the status review of the Maketu Cemetery.

Resident satisfaction with the impact of growth on the District – this monitors the level of resident satisfaction with the impact of growth on the District. The 2009/10 survey revealed a satisfaction level of 80%. This means the target of 80% was achieved and consistent with results over the past 8 years.

Actions completed by Council as defined in the Communities Action Plan – Council completed 83% of the actions scheduled in the action plan for the 2010 year against a target of 90%. Key projects not completed at year-end were Radio Frequency Identification for libraries and crime prevention projects.

Resident satisfaction with Community Development – there was no survey undertaken in the 2009/10 year. The next survey will take place in the 2010/11 year.
Recreational services provided per 1,000 people – this index has decreased slightly from 2.10 in 2009 to 2.09 in 2010. This is due to a significant 'weeding' of library books which reduced the total number of library books held.

Resident satisfaction with reserves and recreational facilities and amenities – this survey monitors the level of satisfaction with reserves and recreational facilities and amenities. The level of satisfaction in 2010 was 68% being a decrease from previous years. Key reasons for dissatisfaction were attributed to the number of facilities or their suitability.

Successful legal challenges or mediation settlements as a result of Council error – in 2010 there were two successful legal challenges as a result of weather-tightness issues. There were no successful legal challenges in regard to resource consents.

Customer satisfaction with regulatory services – this survey monitors customer satisfaction with all regulatory services. This includes Building & Health, Resource Consents and Animal Services. The level of customer satisfaction in 2010 was 86%. The overall trend in customer satisfaction has remained around 85%, which is consistent with the target.

Actions completed by Council as defined in the Stormwater Action Plan – Council completed 64% of the actions scheduled for the 2010 year. Delays were experienced with structure plan projects as development was less than anticipated. The overall trend is variable as stormwater works are subject to timing issues. These can range from meeting the growth demands within the District to completing work in conjunction with road works.

Resident satisfaction with stormwater systems – the level of satisfaction with stormwater systems in 2010 was 66%. Key reasons for dissatisfaction were related to drain capacity, road floods and water flowing through property. Since the floods in 2005 satisfaction levels have been improving.
Risk of injury to road user – this monitors the number of crashes caused by road related factors (e.g. potholes, surface roughness) compared to Council’s peer group. Council’s result of 78% indicates an above average result than its peer group. Since 2006 Council has consistently performed better than its peer group.

Satisfaction with Transportation – this survey monitors the level of satisfaction with roadways, cycleways and walkways. The level of resident satisfaction in 2010 was 52%.

Water supply with Ministry of Health Grading ‘B’ for treatment and distribution – for the Council supply areas 100% achieved a ‘B’ grading for treatment, and 100% achieved a ‘b’ grading for distribution. The significant upgrades in recent years have resulted in 100% achievement since 2008.

Resident satisfaction with the quality of Council water supply – this survey monitors the level of satisfaction with the Council water supply. The level of satisfaction in 2010 was 70%. Key reasons for dissatisfaction have been attributed to taste and water colour. The overall trend is positive and a result of the upgrades to Council’s water supply.

Hectares of land physically and legally protected – the total number of hectares physically and legally protected increased in 2010 by 1,466ha. The decrease in 2009 was due to a change in recording methodology used by Environment Bay of Plenty, the regional council.

Resident perception of an improvement in the environmental features – the environmental features monitored include quality of streams and rivers, harbours and estuaries, air quality, amount of noxious weeds, protection of historic places, general level of cleanliness and the amount and quality of native plants. This survey revealed that 37% of residents surveyed perceived there had been an improvement.
Actions completed by Council as defined in the Solid Waste Action Plan – 86% of actions scheduled for the 2010 year were completed. The Eastern Green Waste and Recycling centre was opened in August 2010.

Resident satisfaction with household rubbish disposal methods – 63% of residents were satisfied with the options for disposing of household rubbish. This has increased from 55% in 2009. The key reason for dissatisfaction was the need for more recycling.

Level of compliance with resource consents – the wastewater plants at Te Puke, Katikati and Waihi Beach are monitored to ensure that discharges comply with resource consent conditions. The Waihi Beach scheme exceeded the target of 95% compliance with resource consents, while the Te Puke and Katikati schemes did not achieve target. Trends have been fairly consistent with overall achievement >90% for 8 years.

Resident satisfaction with sewage disposal systems – the level of satisfaction with Council sewage disposal systems was 94% against a target of 95%.

Actions completed by Council as defined in the Economic Action Plan – 100% of actions scheduled for the 2010 year were completed. This included the payment of Sub-regional Economic Grants, Town Centre Promotion and the Visitor Information Centres.

Resident satisfaction with Council’s role in promoting business and employment opportunities – this survey monitors the level of satisfaction with Council’s role in promoting employment and business opportunities within the sub-region. The level of satisfaction in 2010 was 39% against a target of 55%.
## Report on development of Māori capacity to contribute to decision making 2009/2010

### Ongoing Processes

<table>
<thead>
<tr>
<th>Māori Representative Committee</th>
<th>Māori Forum Committee</th>
<th>The Forum is not a formal Standing Committee but has recently been restructured to allow it to have recommendatory powers directly to Council. It continues to liaise between Council and tangata whenua and membership has increased to include 6 councillors, the mayor (ex officio) and ten hapu/iwi representatives. Workshops with the hapu/iwi representatives on the Māori Forum continue to be a recognised component of Council’s policy development process.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal relationship agreements</td>
<td>Te Arawa Māori Trust Board Maketu Committee</td>
<td>Status quo.</td>
</tr>
<tr>
<td>Consultation process</td>
<td>Tangata Whenua Consultation Guidelines</td>
<td>Internal consultation guidelines for staff needing to consult with tangata whenua on Council projects.</td>
</tr>
<tr>
<td>Iwi Consultation Protocols</td>
<td>Consideration of Māori Interests - Roading</td>
<td>Organisational protocols for hapu/iwi consultation in resource consent processes.</td>
</tr>
<tr>
<td>Iwi Liaison</td>
<td></td>
<td>Employment of full time Māori advisory/Cultural Development Officer who works on developing the relationship between Māori and Council.</td>
</tr>
<tr>
<td>Co-management regimes</td>
<td>Papamoa Hills Cultural Heritage Regional Park TECT All Terrain Park</td>
<td>Tangata whenua continue to participate in the development of a management plan for the park with Environment Bay of Plenty (the regional council).</td>
</tr>
<tr>
<td>SmartGrowth</td>
<td>Combined Tangata Whenua</td>
<td>Hapu/iwi collective of representatives from Tauranga City Council and Western Bay of Plenty District Council formed to participate in the strategic plan and implementation of tangata whenua actions identified in the SmartGrowth sub-regional growth management strategy.</td>
</tr>
<tr>
<td>Policy Development</td>
<td>Input to reviews of policies and strategies through Māori Forum workshops</td>
<td>Policy and strategy development.</td>
</tr>
<tr>
<td>Community Development Plans</td>
<td>Hapu Development</td>
<td>Supporting the development of Hapu Management Plans.</td>
</tr>
</tbody>
</table>
Audit Report

To the readers of
Western Bay of Plenty District Council’s
financial statements and service provision information
for the year ended 30 June 2010

The Auditor-General is the auditor of Western Bay of Plenty District Council (the District Council). The Auditor-General has appointed me, David Walker, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements, the service provision information and the District Council’s compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that are included in the annual report of the District Council for the year ended 30 June 2010.

Unqualified opinion

In our opinion:

- The financial statements of the District Council on pages 76 to 123 and 128 to 140:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the District Council’s financial position as at 30 June 2010, and
    - the results of its operations and cash flows for the year ended on that date.

- The service provision information of the District Council on pages 28 to 73:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the District Council’s levels of service provision for the year ended 30 June 2010, including:

- the levels of service provision as measured against the intended levels of service provision adopted in the long-term council community plan; and
  - the reasons for any significant variances between the actual service provision and the expected service provision.

- The District Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that are applicable to the annual report, and that are included in the District Council’s financial statements and service provision information.

The audit was completed on 16 September 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.
Basis of opinion

We carried out the audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements, the service provision information and the other requirements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader’s overall understanding of the financial statements, the service provision information and the other requirements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements, the service provision information and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether the significant management and system controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported financial and service provision data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied;
- determining the appropriateness of the reported service provision information within the Council’s framework for reporting performance; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, the service provision information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, the [service provision information] and the other requirements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements and service provision information in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the District Council as at 30 June 2010. They must also fairly reflect the results of its operations and cash flows for the year ended on that date. The service provision information must fairly reflect the District Council’s levels of service provision for the year ended 30 June 2010.
The Council is also responsible for meeting the other requirements of Schedule 10 of the Local Government Act 2002 and including that information in the annual report. The Council’s responsibilities arise from section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements, the [service provision information] and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and in carrying out the audit of long-term council community plan, we have no relationship with or interests in the District Council.

David Walker
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand
Community outcomes monitoring

SmartFuture is the name of the Western Bay of Plenty District’s community outcomes. Council has a dual role in the SmartFuture process. It brings other service delivery agencies together to promote and monitor the achievement of community outcomes and provides services that contribute to community outcomes.

Council is required under section 92 of the Local Government Act 2002 to report on progress against the District’s community outcomes every three years. Development of monitoring indicators, collection and interpretation of the data for SmartFuture is led by the Community Outcomes Bay of Plenty (COBOP) Monitoring and Reporting sub-group.

The first SmartFuture monitoring report was published in 2008. It is web-based and can be accessed at www.westernbay.govt.nz. The next report for Western Bay of Plenty District Council is due in 2011.

Part of the data collected for the SmartFuture monitoring is a survey commissioned from Environment Bay of Plenty, regional council, on behalf of all the councils in the region. This survey was carried out in 2010 and the report, Bay of Plenty Community Outcomes Survey 2010, is published on the COBOP website http://www.cobop.govt.nz/cobop-clusters/community-outcomes-processes-cluster.aspx.

While many of the indicators in the survey relate to the whole Bay of Plenty region, several results are reported by territorial authority area.

Summary of progress against community outcomes

SmartFuture community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our communities are vibrant and welcoming.
- Leaders are effective, informed and inclusive.
- Our environment is clean, green and valued.
- Our economy is thriving.

We can all enjoy a healthy and safe lifestyle
Monitoring data for this Community Outcome collected during 2009/10, as part of the Bay of Plenty Community Outcomes Survey 2010, is shown in Table 1 on page 25.

Information relating to the following indicators is collected annually:

- The indicator for the quality of reticulated water supply has remained constant with 100% of Council supplies at the target quality of B grading for treatment and b grade for distribution.

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3 The Bay of Plenty region includes seven territorial authority areas - Western Bay of Plenty, Tauranga, Rotorua, Whakatane, Kawerau, Opotiki and Taupo.

The index of recreational services provided per 1,000 residents has decreased marginally, from 2.10 in 2008/09 to 2.09 in 2009/10 as population has increased, but continues to exceed the Council target of 1.94.

The indicator for the level of road accidents on the District’s roads caused by road related factors is 78%. This has increased from 61% in 2008/09, but it is well below the target of 90% of this Council’s peer group, as monitored by the New Zealand Transport Agency (NZTA).

**Our communities are vibrant and welcoming**

Monitoring data collected during 2009/10, as part of the *Bay of Plenty Community Outcomes Survey 2010*, is shown in Table 1, overleaf.

Census 2006 data shows that involvement in community groups and voluntary work increased between 2001 and 2006, which is a positive result, reflecting an increase in the strength of community networks.

**Leaders are effective, informed and inclusive**

Monitoring data collected during 2009/10, as part of the *Bay of Plenty Community Outcomes Survey 2010*, is shown in Table 1, overleaf. These include a range of indicators reflecting participation in local government democratic processes and decision making.

**Our environment is clean, green and valued**

A wide range of environmental indicators are measured and reported on a regular basis by the regional council, Environment Bay of Plenty. An example is air pollution levels which, for the Western Bay District (Pongakawa Bush Road site), show that for 2009/10, 94% of samples were either good or excellent (90% in 2006). There has been a significant increase in the share of samples rated excellent, 48% being excellent in 2009/10 compared to 17% in 2006.

Involvement in voluntary environmental care groups reflects the extent to which the community is taking responsibility for its local environment. There are 38 known groups operating in the District, of which 21 have regular contact with Council’s Environmental Development Officer; other groups may be operating informally.

Council’s next 5-yearly State of the Environment report is due in 2011.

**Our economy is thriving**

Economic growth in the western Bay of Plenty sub-region is measured using an index of key indicators. The index shows that for the year ended May 2010 the average annual growth in the sub-region was negative 0.2%, which was slower than the 0.1% growth for the whole of New Zealand.
The unemployment rate in the Bay of Plenty region increased to 7.8% for the year to June 2010 from 5.2% for the previous year. The national average for the year to June 2010 was 6.6%.

The only source of unemployment data for the Western Bay of Plenty District alone is the 2006 Census, which showed growth in full-time employment in all industry areas, except for education, in the period 2001-2006. Youth unemployment had fallen significantly in recent years. During the period 2002-2006, the number of apprenticeships in the District remained at higher levels compared to 2002 but less than the peak number in 2004. The next Census will be taken in April 2011.

The SmartEconomy strategy identified skill shortages and the low average incomes as issues to be addressed along with course diversity at tertiary level. Baseline results for this indicator were measured in 2007.

Table 1

<table>
<thead>
<tr>
<th>Community Outcome / Indicator</th>
<th>Measure</th>
<th>2006 survey result %</th>
<th>2010 survey result %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>We can all enjoy a healthy and safe lifestyle</strong></td>
<td>% of respondents that have had to wait more than 60 minutes for emergency healthcare</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Accessibility of emergency healthcare</td>
<td>% of respondents that had wanted to go to the doctor but did not</td>
<td>19</td>
<td>18</td>
</tr>
<tr>
<td>Accessibility of primary health care</td>
<td>% of respondents that were active each day in the last week</td>
<td>44</td>
<td>55</td>
</tr>
<tr>
<td>Perception of personal health</td>
<td>% of respondents stating their health was excellent or very good</td>
<td>51</td>
<td>56</td>
</tr>
<tr>
<td>Perception of freedom from crime</td>
<td>% of respondents feeling safe or very safe in their home after dark</td>
<td>83</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>% of respondents feeling safe or very safe in their home - daytime</td>
<td>93</td>
<td>96</td>
</tr>
<tr>
<td></td>
<td>% of respondents feeling safe or very safe alone in the neighbourhood after dark</td>
<td>44</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>% of respondents feeling safe or very safe alone in the neighbourhood - daytime</td>
<td>92</td>
<td>97</td>
</tr>
<tr>
<td></td>
<td>% of respondents feeling safe or very safe in the town centre after dark</td>
<td>28</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>% of respondents feeling safe or very safe alone in the town centre - daytime</td>
<td>83</td>
<td>93</td>
</tr>
<tr>
<td><strong>Our communities are vibrant and welcoming</strong></td>
<td>% of respondents feeling pride their local area - whole District</td>
<td>73</td>
<td>n/a</td>
</tr>
<tr>
<td>Pride in the local area</td>
<td>% of respondents feeling pride their local area - Katikati</td>
<td>n/a</td>
<td>75</td>
</tr>
<tr>
<td>Perception that unique characteristics of the District are being maintained</td>
<td>% of respondents agreeing or strongly agreeing unique characteristics of the District are being maintained</td>
<td>68</td>
<td>71</td>
</tr>
<tr>
<td>Culturally diverse arts scene</td>
<td>% of respondents agreeing or strongly agreeing their area has a culturally diverse arts scene</td>
<td>51</td>
<td>55</td>
</tr>
<tr>
<td>Perception of impact of diversity on community</td>
<td>% of respondents that think the District is a better or much better place to live because of the increasing diversity of the community</td>
<td>34</td>
<td>35</td>
</tr>
<tr>
<td><strong>Leaders are effective, informed and inclusive</strong></td>
<td>% of respondents that think the public has a large influence</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Perception of public influence on Council decision making</td>
<td>% of respondents that have enough information to make decisions they are happy with</td>
<td>65</td>
<td>56</td>
</tr>
<tr>
<td>Access to information to participate in decision-making about their community</td>
<td>% of respondents that agree or strongly agree they understand how local councils made decisions</td>
<td>59</td>
<td>64</td>
</tr>
<tr>
<td>Public understanding of how Council makes decisions</td>
<td>% of respondents that agree or strongly agree they can have an impact on making the community a better place to live</td>
<td>75</td>
<td>78</td>
</tr>
<tr>
<td>Influence on quality of life</td>
<td>% of respondents that say the general community recognises and respects Maori culture</td>
<td>74</td>
<td>81</td>
</tr>
<tr>
<td>Perception that Maori culture is respected</td>
<td>% of respondents saying that the state of the environment is very good or good</td>
<td>72</td>
<td>85</td>
</tr>
<tr>
<td><strong>Our environment is clean, green and valued</strong></td>
<td>% of respondents saying the overall environment is improving</td>
<td>37</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: Key Research, Bay of Plenty Community Outcomes Survey 2010.