

CHAPTER TWO

Council Activities



CHAPTER TWO

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COUNCIL'S GROUP OF ACTIVITIES

GUIDE TO THIS SECTION OF THE ANNUAL REPORT

Chapter Two - Our achievements reports on how well Council's activities performed during 2015/16 against the goals and targets set out in Chapter three of the 2015-25 LTP. The reporting covers how effectively services have been delivered to the community and financial results.

Reporting on service performance is provided for each activity group and includes the following information:

Overview

This provides a high level overview or explanation of the activity and the outcomes agreed in Western Bay of Plenty District Council's 2015-2025 LTP.

2015/16 highlights

Highlights can include key initiatives undertaken, projects completed, and milestones achieved for the activity. A graph will also be included to show the results and trends for Western Bay Council's measures for performance and customer satisfaction.

Service performance results

- Results trends for key measures
- How we have tracked progress towards our goals
- How we have tracked progress - levels of service

The 2015-2025 LTP identifies performance measures and targets to monitor Council's achievement of the agreed outcomes and levels of service. This section reports the results and provides explanation for any significant variances. Results are classified as follows:

 Target met

 Partial met (within 5% of target)

 Not met

Future initiatives

This section looks ahead and identifies key initiatives planned for the next 2-3 years.

Cost of service statements

The cost of service statement shows financial information for that activity, comparing actual expenditure against budget and the previous year's actual. The statements provide details of income and expenditure and, where relevant, capital expenditure.

Major variances

Where there are major variances between actual expenditure and budget a further explanation is provided.

Customer satisfaction

In the statements of service performance there are references to an Annual Resident Survey.

This survey was undertaken by Key Research and the sample included all residents within the Western Bay of Plenty District Council area with a sample size of 726 and margin of error of +/- 3.6%, with a confidence level of 95%.

Effects on community wellbeing

The table overleaf identifies the activity groups and their primary contribution to the Community Outcome.

The Long Term Plan (LTP) has identified significant or potential negative effects that may occur as a result of providing the following activities:

- Wastewater
- Solid waste
- Communities (Interment)
- Transportation
- Water supply
- Stormwater
- Economic

Council has structured its activities into 12 groups. These activity groups are comprised on individual activities which have a similar nature. The following table identifies each of the Activity Groups and their corresponding activities. It also shows the Community Outcomes the activity primarily contributes to.

ACTIVITY GROUPS	ACTIVITIES	PRIMARY COMMUNITY OUTCOMES	PAGE
Representation	<ul style="list-style-type: none"> • Sub-regional, District and Community representation • Financial Planning 	<ul style="list-style-type: none"> ▪ Effective, informed and inclusive leaders 	38
Planning for the future	<ul style="list-style-type: none"> • Policy and planning • Resource management planning • Infrastructure planning 	<ul style="list-style-type: none"> ▪ Vibrant and welcoming communities ▪ Effective, informed and inclusive leaders ▪ Thriving economy 	45
Communities	<ul style="list-style-type: none"> • Community development • Cultural development • Information centres • Emergency management • Community facilities 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle ▪ Vibrant and welcoming communities 	51
Recreation and leisure	<ul style="list-style-type: none"> • Coastal and marine • Recreation reserves and facilities • Sub-regional reserves 	<ul style="list-style-type: none"> ▪ Vibrant and welcoming communities ▪ Clean, green and valued environment 	62
Regulatory services	<ul style="list-style-type: none"> • Animal control • Building and health services • Compliance • Regulatory services • Resource consents 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle 	68
Transportation	<ul style="list-style-type: none"> • Roding • Network development • Network optimisation • Environmental mitigation • Transportation health and safety 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle ▪ Thriving economy 	75
Water supply	<ul style="list-style-type: none"> • Council water supply 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle ▪ Thriving economy 	81
Stormwater	<ul style="list-style-type: none"> • Stormwater network • Waihi Beach coastal protection 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle 	91
Natural environment	<ul style="list-style-type: none"> • Environmental protection 	<ul style="list-style-type: none"> ▪ Clean, green and valued environment 	97
Wastewater	<ul style="list-style-type: none"> • Wastewater 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle ▪ Clean, green and valued environment 	103
Solid waste	<ul style="list-style-type: none"> • Solid waste 	<ul style="list-style-type: none"> ▪ Healthy and safe lifestyle ▪ Clean, green and valued environment 	114
Economic	<ul style="list-style-type: none"> • Economic development • Land drainage 	<ul style="list-style-type: none"> ▪ Thriving economy 	120

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 Plan (LTP).

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



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 LTP.

Monitoring trends in the business scorecard

For each of the Activity Groups key measures have been identified to monitor Council's performance and resident perception.

For each activity two key measures have been identified. These measures monitor Council's performance and resident perception. Many of these measures show Council's achievements over a number of years.



REPRESENTATION



REPRESENTATION

OVERVIEW

The Representation Strategy underpins Council's democratic processes and provides the community and the organisation with leadership and direction. The Strategy informs decisions about our representation arrangements, for example, the number of wards and their boundaries, community boards and number of Councillors.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Leaders are informed by the views of residents to make effective decisions which improve our communities and environment, now and for the future.

OUR GOALS

- We have effective representation arrangements for our communities
- We engage with our communities, listen well, lead effectively and make well informed decisions
- We actively seek and consider the full range of residents' views on our plans, policies and projects
- We have strong relationships with Tangata Whenua and work together in a range of ways so that Tangata Whenua perspectives inform our decisions
- Our strategic relationships at all levels are maintained and strengthened
- Our financial management is prudent, effective and efficient.

2015/2016 HIGHLIGHTS

Growth has been the most pressing issue this year as the Western Bay has experienced an influx of permanent residents from Auckland and elsewhere. This is a complete turnaround from the dormancy of the previous six years during the Global Financial Crisis. We are in the fortunate position of having invested heavily over the past 15 years in wastewater, water and stormwater infrastructure to cater for future growth. While this investment put Council in considerable debt – it is now in a strong position to cope with development demand and in so doing reduce its debt through the increased income from development activity.

It has been a significant year for progressing longer term projects that provide major assets for our communities in the future. Population and development growth in the Western Bay has been escalating over the past year and elected members are continually lobbying the case of Western Bay with Central Government. Significant achievements include:

- The opening in August of the Tauranga Eastern Link. A \$455 million NZ Transport Agency project of 21 kilometres, four-lane, median divided highway between Tauranga and Paengaroa. The Tauranga Eastern Link is the second of seven Roads of National Significance (RoNS)
- A \$3.8 million funding boost from Central Government for the Urban Cycleways'. This was well-timed in the wake of our Council and Tauranga City agreeing to fund parts of the Tauranga Moana Cycleway over the next 10 years. Our Council decided to put \$3m (\$300,000 a year) in our Long Term Plan 2015-2025 toward the three planned cycle routes – Omokoroa to Tauranga, Maketu to Paengaroa and Waihi to Waihi Beach

- Launched the first section of Western Bay Cycleways in Paengaroa with Transport Minister Simon Bridges. This is the first section of the \$600,000 Papamoa to Paengaroa Trail that will eventually run from Te Tumu Road and follow the Te Puke Highway into Paengaroa. Council also signed a Memorandum of Understanding with Hauraki District Council for a cycleway from Waihi Beach to Waihi to link with the Hauraki Cycle Trail
- NZ Transport Agency's \$591 million transport package for State Highway 2 between Te Puna and Katikati, to grow industry and jobs, improve safety and support economic development and population growth. Our Council is continually working with the Transport Agency to prioritise local projects that will improve the safety and travel times for our commuters
- Omokoroa has been designated as a Special Housing Area (SHA) under the Housing Accord. Council signed the Housing Accord with Government in August 2015. Omokoroa is one of the District's growth areas in which Council has already invested substantial infrastructure to cater for a future population capacity of 12,000.

A recent change in the Local Government Act removed the requirement for councils to consult on their annual plan if there is no material or significant difference from the LTP. However elected members chose to hold numerous workshops and Annual Plan sessions leading up to the 2016/17 Annual Plan where the public were welcomed for round-the-table informal discussions. This was well received by our communities and resulted in constructive conversations with a wide range of people in our communities.

WHAT WE PROVIDE

REPRESENTATION IS PROVIDED BY:



1 MAYOR



11 COUNCILLORS



PARTNERSHIP FORUMS

Comprising iwi and hapu representatives

Participation in a range of COMMUNITY ORGANISATIONS, BOARDS & CO-GOVERNANCE STRUCTURES

within the Western Bay of Plenty District



SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

REPRESENTATION - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Key Performance Measure Percentage achievement in the financial performance index which monitors Council's financial stewardship. <i>(the index monitors Council's financial trends and level of compliance with 5 key treasury ratios. 100% is total compliance).</i>	100%	100%	100%		😊
Supporting Measures Level of satisfaction with representation provided by Councillors and Community Boards members:					
• Community	NO SURVEY	NO SURVEY	NO SURVEY	The next survey is scheduled for 2017.	
• Māori	NO SURVEY	NO SURVEY	NO SURVEY	The next survey is scheduled for 2017.	
Level of Māori satisfaction with representation provided by the Partnership Forums (Te Arawa - East and Tauranga Moana - West).	NO SURVEY	NO SURVEY	NO SURVEY	The next survey is scheduled for 2017.	
Percentage of residents confident that Council makes decisions that are in the best interest of the District.	NO SURVEY	NO SURVEY	53%	The next survey is scheduled for 2017.	
Affordability of rates Percentage movement in total rates income (after allowance for growth).	≤5%	4.6%	4.2%		😊

SERVICE PERFORMANCE RESULTS

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Representation will be provided by:					
<ul style="list-style-type: none"> • 1 Mayor • 11 Councillors • 5 Community Boards • 2 Partnership Forums 					
Number of meetings held per annum:					
• Council based on 6 weekly cycle.	≥8	12	16		😊
• Community Boards based on 6 weekly cycle.	≥8	9	8		😊
Partnership Forum based on quarterly meeting cycle.	≥2	3	NEW	The two Partnership Forums held three meetings each (6 meetings in total).	😊
Percentage attendance of elected members (Councillors and Mayor) at Council and Committee meetings.	≥80%	82%	87%		😊
Percentage attendance of Community Board members at Community Board meetings.	≥80%	87%	92%		😊
Level of compliance with statutory timeframes.	100%	100%	100%		😊
Council will engage with communities about decisions that impact on their community					
Level of community satisfaction with the opportunities to participate in decision making.	NO SURVEY	NO SURVEY	NO SURVEY	The next survey is scheduled for 2017.	
Number of Council Committee meetings held in the community.	≥4	2	11	As a result of changes to the Local Government Act 2002 there has been a move away from formal meetings with the community. This has enabled more 'have your say' meetings between Elected Members and the community. Approximately 10 informal gatherings were held in all of our communities during the year.	😞
Finances will be managed to comply with the limits identified in the Treasury Policy					
Interest expense on external debt as a percentage of rates revenue (Maximum identified in Treasury Policy is 25%).	≤25%	14.9%	15.5%		😊
Liquidity ratio - this ratio monitors Council's ability to pay all current liabilities if they became due immediately.	≥110%	127%	124%		😊
Percentage of net external debt to total revenue.	≤200%	139%	168%		😊
Council will be financially prudent in the management of rates levied					
The percentage of District rates income not spent or committed at the end of the financial year.	≤2%	2.3%	1.8%	Reduced expenditure on rate funded activities.	😞

FUTURE INITIATIVES

We will continue to:

- Engage with ratepayers, residents and other stakeholders in each of our communities. This outreach is achieved through our Community Committee and has proven to be an extremely effective way of bringing elected members and their communities around the table to discuss issues of concern and interest
- Represent the District in regard to matters of sub-regional importance such as the growth management strategy SmartGrowth and the Bay of Plenty Regional Strategy (Bay of Connections)
- Work alongside the economic development agency Priority One and Bay of Plenty Tourism to promote the sub-region's economic and tourism benefits
- Support economic and tourist organisations within our own District (Katch Katikati; Waihi Beach Events and Promotions, Te Puke Economic Development Group) to ensure there is synergy between all agencies promoting the economic and tourist benefits of the sub-region
- Progress initiatives with Central Government including transportation improvements; affordable housing programmes and the Government's local government reform programme.

COST OF SERVICE STATEMENT

REPRESENTATION

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Representation	2,834	2,943	2,395
Total operating expenditure	2,834	2,943	2,395
Analysis of expenditure by class			
Direct costs	1,503	1,671	1,471
Overhead costs	1,323	1,264	912
Depreciation	8	8	12
Total operating expenditure	2,834	2,943	2,395
Analysis of funding required			
Community Board	392	388	551
Other income	5	-	2
Total revenue	397	388	553
Net cost of service - surplus/(deficit)	(2,437)	(2,555)	(1,842)
Capital expenditure		-	-
Total other funding required	(2,437)	(2,555)	(1,842)
Other funding provided by			
General rate	2,493	2,555	1,943
Reserves and future surpluses	(56)	-	(101)
Total other funding	2,437	2,555	1,842

MAJOR VARIANCES

Additional General Rate to fund overhead allocation.

PLANNING FOR THE FUTURE



PLANNING FOR THE FUTURE

OVERVIEW

The Planning for the Future activity includes policy and planning, resource management and infrastructure planning activities. These activities plan for the future guided by our sustainable development approach and the SmartGrowth Strategy.

SMARTGROWTH - AN OVERVIEW

SmartGrowth is the growth management strategy for the western Bay of Plenty sub-region. The sub-region encompasses both the Western Bay of Plenty District and Tauranga City. This area has experienced rapid population growth since the 1950s.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

In consultation with our communities and guided by our sustainable development approach, we plan for the future.

OUR GOAL

- Develop, monitor, review and advocate policy and plans that support the achievement of our vision for the District, our community outcomes and the direction provided by SmartGrowth.

2015/2016 HIGHLIGHTS

During the year the District experienced a significant level of growth. In response to this we completed a review of our structure plans for Waihi Beach, Katikati and Te Puke. These reviews ensured the plans were updated to respond to the growth and development in those areas. We also experienced a significant increase in the 'Package of Plan' meetings that we have with developers.

SmartGrowth is a key component in the management of growth within the Bay of Plenty sub-region. In collaboration with Tauranga City Council, Bay of Plenty Regional Council, Tangata Whenua and key agencies we continued to update the various strategy components in response to growth throughout the sub-region. The review of the SmartGrowth Settlement Pattern review resulted in an investigation into options for the Western Corridor and the Keenan Road urban growth area. We continue to work on this with our partners and once the areas are chosen structure plans will be prepared. We also provided input into the compact city and Te Tumu projects.

We are also involved with the establishment of the SmartGrowth Social Infrastructure Providers Forum which aims to improve coordination of social infrastructure planning amongst providers. We have also been involved in overseeing research undertaken to give voices to those not normally heard by local government and SmartGrowth i.e. Māori, youth and immigrants.

Housing affordability has become a significant issue. Government introduced legislation to facilitate Council's ability to create Special Housing Areas (SHA). This initiative is progressing as we have identified a development partner and anticipate construction will commence in 2016/17. It is anticipated that this subdivision will ultimately provide 255 homes. SmartGrowth is also initiating an affordable housing pilot project within the Omokoroa special housing area to demonstrate to developers, the building industry, and the public good quality affordable housing.

In response to changes in Government legislation we continue to collaborate with Bay of Plenty Councils to represent the interests of the Bay. This includes the Resource Legislation Amendment Bill where we made a joint presentation to the Select Committee. We anticipate their decision will be released

in September 2016. We also made submissions to the National Policy Statement on Urban Capacity which will impact on our current monitoring activity and the SmartGrowth Settlement Pattern Review.

Other District Plan changes and planning reviews included:

- A private plan change for the Rangiuru Business Park
- The Coastal Hazard review which resulted in plan changes to reflect the requirements of the NZ Coastal Policy Statement and increased knowledge in regard to environmental changes. Our three partner Councils have developed an agreed charter and framework for programme alignment in our planning approaches to coastal hazards
- A review of Financial Contributions to achieve affordable smaller lots. This plan change has been notified and 14 submissions were received. Hearings will be held in August 2016
- Investigations commenced in the supply of accommodation for seasonal workers. In collaboration with industry, community and government departments we are currently identifying issues.

We are nearing the completion of the Te Ara Mua plan. This plan is being developed by the two Partnership Forums, Tauranga Moana and Te Arawa Ki Takutai. This plan will determine priorities for the Partnership Forum's to work on with Council to better meet the needs of Māori in the District.

Our 'Healthy Whare' project continued. This is a three year pilot project where 89 homes were assessed in the Maketu area and resulted in major repairs to 14 homes, many homes have had insulation installed and minor repairs undertaken. This is another collaborative initiative in which Te Runanga o Ngati Whauae ke Maketu, Te Puna Kokiri, Bay Trust, the Bay of Plenty District Health Board, public health, sustainability options and Council have worked together and provided funding. Related to this is 'Project Wai Ora' which is an initiative to address water, wastewater and housing conditions in five highly deprived Māori communities in the District. We led a delegation including the Bay of Plenty Regional Council, Community Representatives, and Public Health to Wellington to meet with Ministers from Social Development, Māori Development, Ministry of Health and our local Members of Parliament.

The focus being to identify solutions and work collaboratively with the communities involved.

We continued to review our plans, policies and by-laws. This included:

- Freedom Camping Bylaw review. The focus was Anzac Bay to address tensions between freedom campers and locals/day visitors resulting from freedom camping
- Dog Control Policy and Bylaw - our community engagement resulted in successful 'Dog Day Outs' and a dog walk at Te Puna Quarry Park
- Liquor Ban Bylaw review which resulted in establishing a liquor ban in the Te Puke Town Centre
- Kaimai Reserves Management Plan review
- Rates Remission Policy review.

WHAT WE PROVIDE

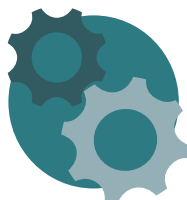
PLANNING FOR THE FUTURE INCLUDES:



POLICY & PLANNING



RESOURCE MANAGEMENT



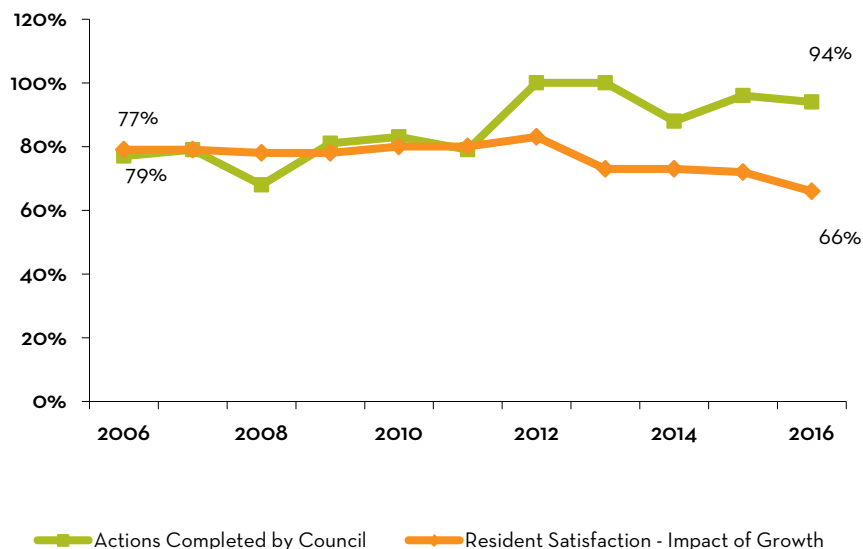
INFRASTRUCTURE PLANNING ACTIVITIES



SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

PLANNING FOR THE FUTURE - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Key Performance Measure Percentage completion of the annual work programme as identified in the Leadership - Planning for the Future Strategy and Action Plan	≥90%	94%	96%		😊
Key Resident Measure Resident satisfaction with the impact of growth on: <ul style="list-style-type: none"> • Range of housing choices • Personal safety • Time taken to travel around their area • Employment opportunities • Road safety • Overall pleasantness. *Based on a two yearly surveys.	≥75%	66%	72%	The target and result were calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 63%. The survey revealed that growth has had a significant negative effect on the range of housing choices, travel time and road safety. *Due to the 2015-2025 Long Term Plan there was a change of sequence. Surveys will be held on a two yearly basis.	😞

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
District Plan updated to meet the needs of our District					
Number of sustained challenges by the Environment Court to District Plan changes.	NIL	NIL	NIL	Plan Change 65 Matakana Island decision ruled in Council's favour.	😊
Structure Plans are developed and reviewed to ensure there is 'greenfield' land to accommodate growth.	≥5 YEARS SUPPLY	11.5	≥5 YEARS SUPPLY	During the year the Waihi Beach and Katikati structure plans were reviewed. The supply of greenfields remaining for each community: <ul style="list-style-type: none"> • Waihi Beach - 5.1 years • Katikati - 16.1 years • Omokoroa - 10.7 years • Te Puke - 14.6 years. 	😊
Our strategies are aligned with direction provided in SmartGrowth Strategy					
Percentage of Council's strategies aligned with SmartGrowth direction.	100%	100%	100%		😊
We will work with communities to develop and review Community Development Plans. These detailed plans set the vision for the community and actions required to achieve it					
The number of community plans developed or reviewed where Council has provided support to the community.	≥1	1	1	The Te Puke Community Plan was completed and successfully launched in February 2016.	😊

FUTURE INITIATIVES

We anticipate growth will continue within the district. As a result we will continue to review and update our plans, urban growth studies and structure plans. This will include the finalisation and implementation of the Settlement Pattern review (a SmartGrowth initiative), and the review of the Katikati urban growth study with the objective of providing more urban land.

We will be working through the Environment Court appeal process in regard to the Rangiuru Business Park private plan change and the Regional Coastal Environment Plan in regard to Matakana Island's outstanding natural features and landscapes.

Work will continue with the implementation of Te Ara Mua as well as the development of a policy to define an approach for the transfer / co-management of Council land.

Other scheduled reviews include:

- Seasonal worker accommodation - identification and assessment of options to address issues
- Coastal and Harbour Erosion Policy
- Waste Management & Minimisation Plan
- Gambling Class 4 and TAB venues Policy review
- Long Term Plan 2018 - 2028, preparatory work on our Community Engagement approach.

COST OF SERVICE STATEMENT

PLANNING FOR THE FUTURE

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Policy and planning	1,017	1,140	1,405
Resource management	923	1,055	1,392
District development	(27)	(160)	(27)
Total operating expenditure	1,913	2,035	2,770
Analysis of expenditure by class			
Direct costs	1,233	1,329	2,073
Overhead costs	672	696	691
Depreciation	8	10	6
Total operating expenditure	1,913	2,035	2,770
Revenue			
Target rates	13	-	13
Other income	1	-	20
Total revenue	14	-	33
Net cost of service - surplus/(deficit)	(1,899)	(2,035)	(2,737)
Capital expenditure	-	-	12
Total other funding required	(1,899)	(2,035)	(2,749)
Other funding provided by			
General rate	1,939	2,195	2,349
Reserves and future surpluses	(40)	(160)	400
Total other funding	1,899	2,035	2,749

MAJOR VARIANCES

Expenditure on strategic planning was \$388k lower than last year which included two major projects - policy review and investigations for coastal erosion and land instability \$92k, and expenditure associated with the Long Term Plan development and adoption \$124k.

Expenditure on Resource management was \$472k lower than last year which included \$74k spent on coastal hazards line review.

Direct costs were lower than budget with salary savings of \$183k due to resource reallocations.

COMMUNITIES



COMMUNITIES

OVERVIEW

The importance of sustainable, resilient communities is paramount. In these communities residents feel included, support and look out for each other, influence decisions that affect them, collaborate to achieve the collective good and foster tolerance and acceptance of others.

Sustainable and resilient communities need strong social and cultural infrastructure to be able to respond to challenges and changes in society. We aim to ensure that the things needed for individuals, families, groups and communities to meet their social needs, maximise their potential for development and enhance their well-being are in place, such as community facilities, services and networks or social infrastructure. Not all social infrastructure in a community is provided by Council but we make a significant contribution to community well-being in the following ways:

- Providing places to learn, meet and socialise, for example halls and libraries (for further information see Libraries and Service Centres [page 140](#) and Community Facilities [page 149](#) in our Long Term Plan 2015-2025)
- Supporting communities through a range of community building activities (for further information see the Community Building section [page 129](#) in our Long Term Plan 2015-2025)
- Encouraging communities to be prepared and able to look after themselves in a civil defence emergency (for further information see the Civil Defence and Emergency Management section [page 162](#) in our Long Term Plan 2015-2025).

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Social infrastructure (community facilities, services and networks that help individuals, families, groups and communities) meets the diverse needs of communities; communities are strong and can influence their futures.

OUR GOALS

- Communities are healthy and safe
- Communities are vibrant and diverse
- Communities participate in the development of their futures.

2015/2016 HIGHLIGHTS

The Katikati Library and Community Hub was an important focus for us this year. In year one of this project we undertook the necessary planning and initiated a community engagement process in order to identify and define what was required. A Community Reference Group has worked closely with us to identify requirements, assist with community engagement, and provide inputs to the concept plan.

Council has committed to funding the library development, but in order to fund a community hub we had to apply to other funding providers. NZ Lotteries provided a grant of \$350k which was matched by the Katikati Community Board. This funding is for the development of a community hub. Key conditions of the grant is that it needs to be a technology enabled space which will fill a void for young people, provide an exhibition and display space as well as a community meeting space. The community hub is a flexible space for the community and there will be no one tenant.

Our libraries continued to develop programmes to respond to identified needs in communities. The Te Puke Library has extended their holiday programme to include other activities for all ages in our community. For example, a Lego club was established at the request of a young customer, and tablet classes held for the retired.

We continued to review and enhance the services provided. In collaboration with other Bay of Plenty Councils we outsourced the selection, cataloguing and processing of our collections including our e-collection and are working with consortium partners to be in a position to invite schools within our district to share our online content.

In May we launched our archive software, 'Recollect'. This currently contains Katikati community archives, documents and images which are accessible to the community. There are plans to grow the database to include archives from the wider district; individuals are invited to add to the archives knowledge base.

This was the first year of our Community Matching Fund. This fund replaced the Community Grants and is designed to support communities and promote stronger community input in the development of their various projects and initiatives. Applications are considered on a 50:50 basis. In this first year, a process was developed to administer the fund and the allocation of the \$99,000 budget. A total of 42 applications were received from throughout the district and 33 of these applications were successful in obtaining funds.

The review of the Te Puke Community Plan was completed and successfully launched in February 2016. The Te Puke Community Board led this project with support from us. The process engaged a wide and comprehensive list of participants and provided the opportunity for community led development and planning for Te Puke.

We continued our support and work in regard to community safety. Key initiatives included:

- A Youth in Emergency Services (YES) programme was launched in Katikati and Maketu. This engages all local emergency services and identifies 30 local youth to train in aspects of all emergency services. The purpose of this is to support building resilient communities and inspire youth leadership in the community. We were able to secure funding from the Ministry of Youth Development to make it happen
- The Katikati Resource Centre launched MPOWA a youth initiative to support youth development and encourage collaboration of local service providers. Council partnered with the Resource Centre and provided funding for the facilitation and advocacy support resulting in the development of a local Youth Action Plan. One of the main goals of this plan is to develop a local youth centre
- In Katikati the Māori Wardens are the Youth at Risk service provider. We are able to provide support and advice as well as advocacy for funding and funding grants. As a result the Māori Wardens are able to provide support to families and youth at risk
- Safer Community Forums have been operating since 2001. These forums provide the opportunity for community safety practitioners to meet and identify priorities. Council continued to provide a facilitation and advocacy role
- We partnered in the sub regional approach to the safer communities forum. The Tauranga Moana Safe City programme is a collaboration for those in community safety. The Emergency Services, Health, ACC and Councils are involved in the governance of this initiative.

The Special Housing Act 2013 was implemented to enhance housing affordability by facilitating an increase in land and housing supply in certain areas. Western Bay was highlighted in schedule one of the act as having significant housing affordability and supply issues. We commenced work on the development of a Special Housing Area on land owned by Council in Omokoroa. We have entered into a joint venture with a developer to build properties on Council's land. During the year we completed the necessary planning stage and construction will commence in the new financial year. In conjunction with this we have allocated 4000m2 for the Housing Affordability Forum to develop a social housing pilot.

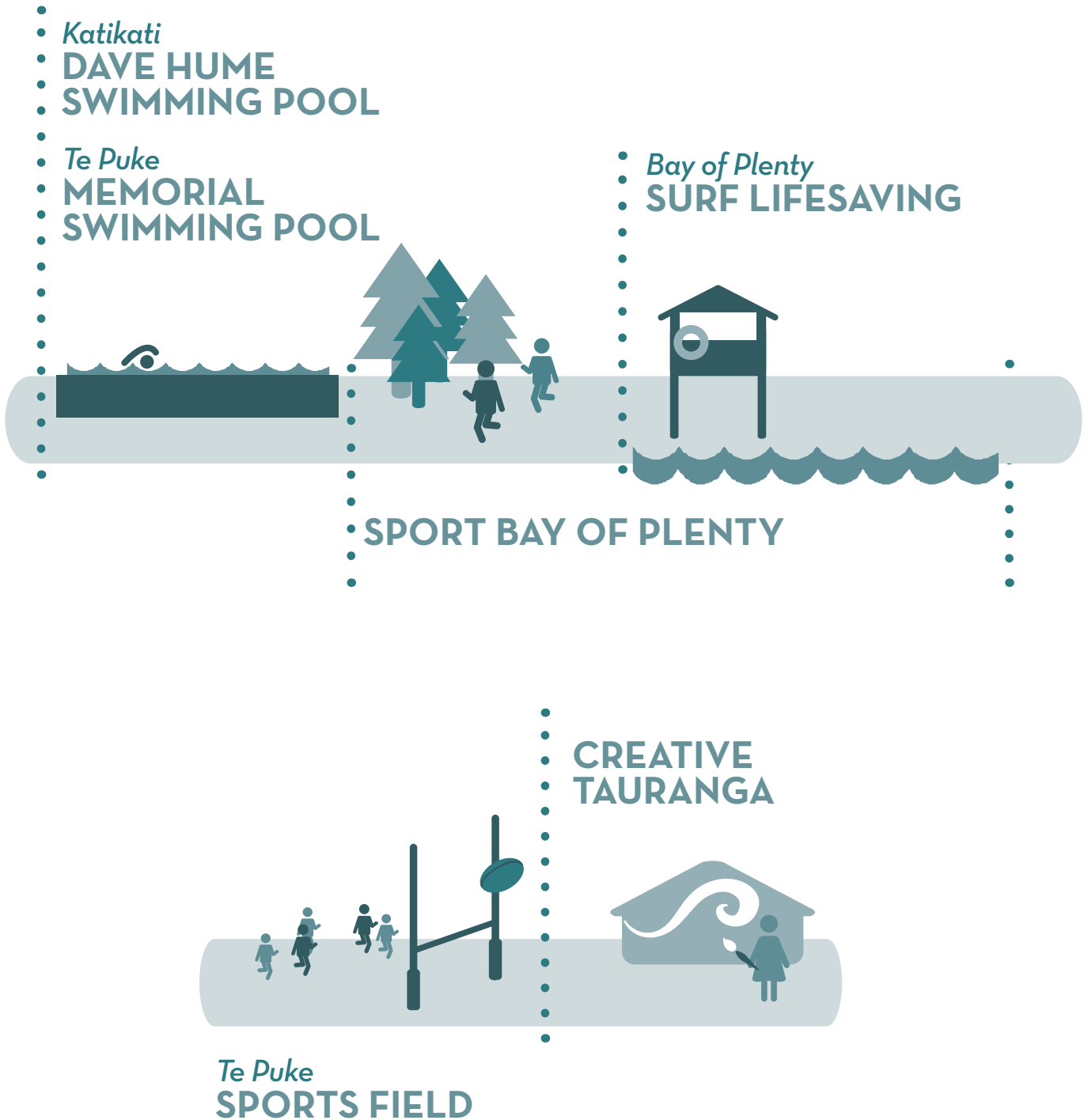
Due to the increased demand in rental property and for pensioner tenancy we have achieved near 100% of potential occupancy. The operation of the pensioner housing facilities has been impacted by the review of the Residential Tenancies Act 1986 which came into effect on 1 July 2016. Our Good Landlord Policy has ensured we have been proactive in upgrading the insulation of units where required, ensuring fire alarms are installed and implemented a methamphetamine testing regime which already meets the Act's requirements.

WHAT WE PROVIDE - COMMUNITY BUILDING

SERVICE DELIVERY CONTRACTS

OVERVIEW

Working with our communities and local organisations we achieve healthy, safe, vibrant and diverse communities. Our Community Development Team is fundamental to achieving this outcome.

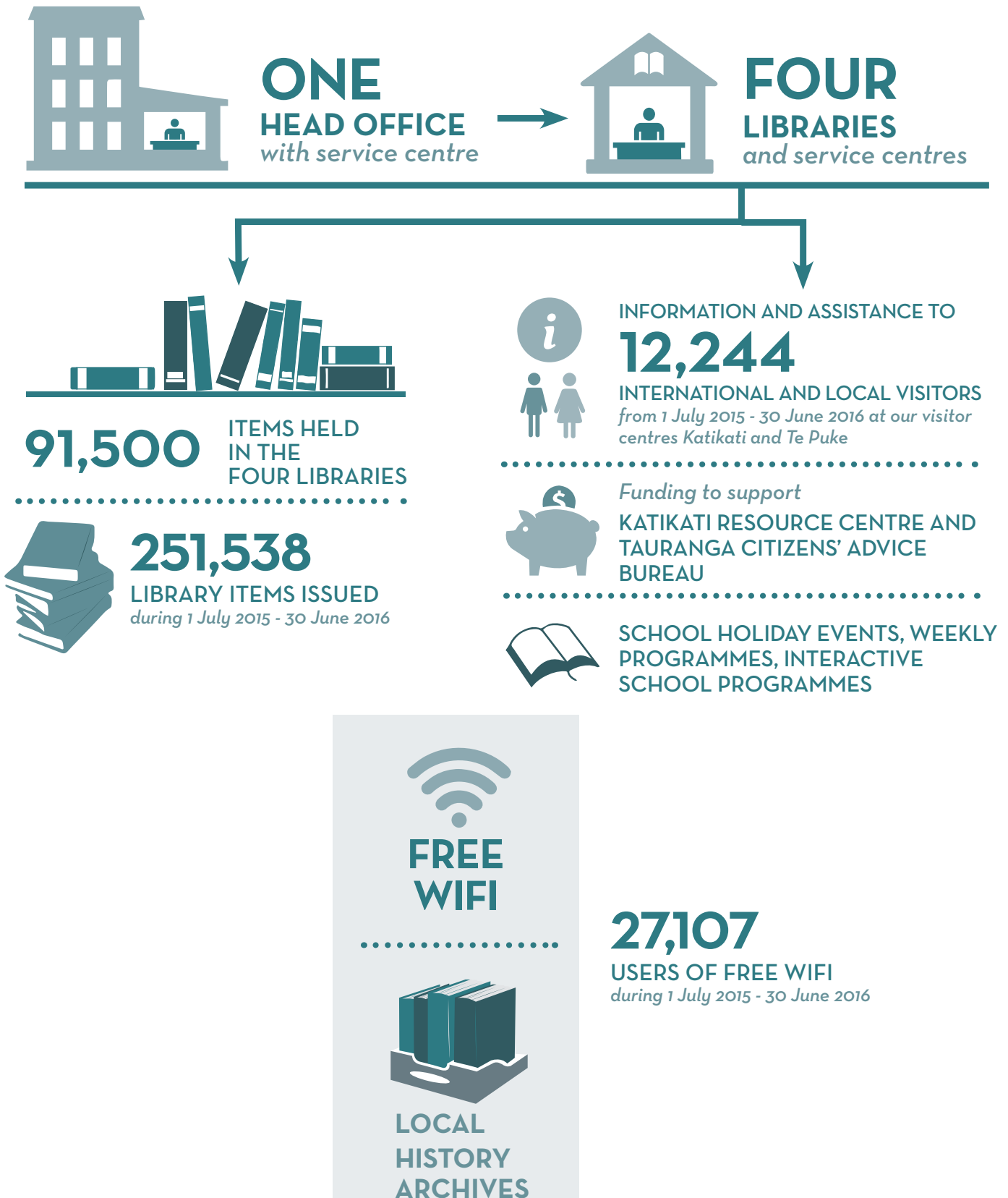


WHAT WE PROVIDE - LIBRARIES AND SERVICE CENTRE

OVERVIEW

Our libraries fulfil an important community function across the District by informing and encouraging people to meet and socialise. Libraries have been described as well-insulated public squares or 'community anchors' demonstrating their value as important community assets. Libraries can contribute to a sense of belonging by collecting and displaying the history of an area.

WHAT WE PROVIDE



WHAT WE PROVIDE - COMMUNITY FACILITIES

OVERVIEW

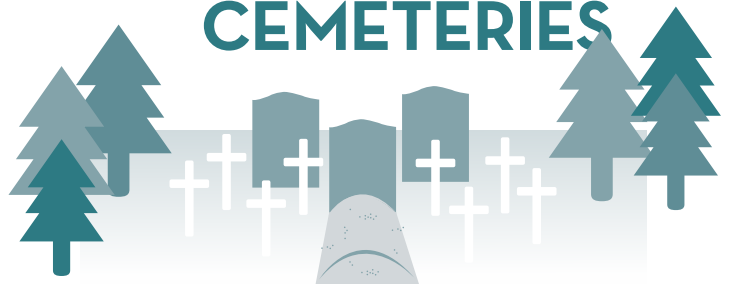
Public spaces and community facilities enable recreation, bring people together and create a sense of belonging, all of which is essential for healthy and vibrant communities. We are a key provider of indoor and outdoor community facilities, for example libraries, parks, playgrounds and halls.

HOUSING FOR OLDER PEOPLE



34 UNITS in Te Puke
17 UNITS in Katikati
19 UNITS in Waihi Beach

CEMETERIES



KATIKATI Cemetery
MAKETU Cemetery
OROPI Cemetery
TE PUKE Cemetery
(and old Te Puke Cemetery where further plots are unavailable)

HELP SUPPORT COMMUNITY HALLS

KAIMAI HALL
 KATIKATI WAR MEMORIAL HALL
 OHAUITI HALL OMANAWA HALL
 OMOKOROA SETTLERS HALL
 OROPI HALL
 TE PUNA COMMUNITY CENTRE
 TE PUNA WAR MEMORIAL HALL
 TE RANGA HALL
 WAIHI BEACH COMMUNITY CENTRE
 WHAKAMARAMA HALL

PAHOIA COMMUNITY HALL
 PAENGAROA HALL
 PUKEHINA BEACH COMMUNITY CENTRE
 PYES PA HALL
 TE PUKE WAR MEMORIAL HALL
 & Settlers Lounge & Pioneer Room

WHAT WE PROVIDE - CIVIL DEFENCE AND EMERGENCY MANAGEMENT

OVERVIEW

Global natural disasters such as the Christchurch earthquakes and tsunami in Japan, combined with the increased frequency of extreme weather events have heightened awareness among Bay of Plenty communities to the risk of tsunami, earthquakes and floods in particular. It is vital that the community and Council are prepared to respond to, effectively manage and recover in emergency situations.



RURAL FIRE RESPONSE

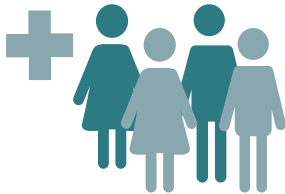
including for Matakana Island



COUNCIL STAFF

trained to respond

WELFARE STAFF



RESCUE TEAM



2 VEHICLES



SUPPORT

TO THE EMERGENCY
OPERATIONS
CENTRE



CIVIL DEFENCE

WELFARE
CO-ORDINATOR

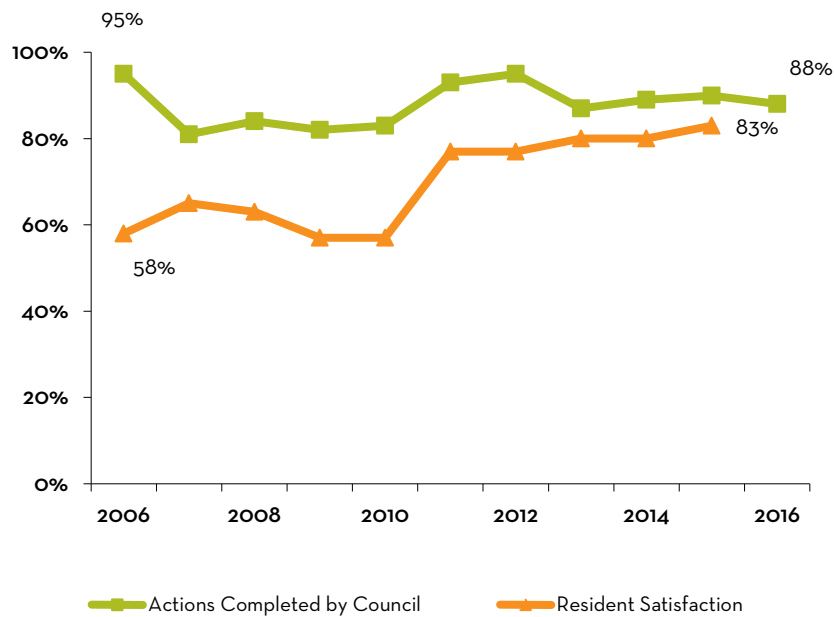
BAY OF PLENTY
CIVIL DEFENCE
AND EMERGENCY
MANAGEMENT
GROUP *and Plan*



SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

COMMUNITIES - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	
	TARGET	RESULT	RESULT		
Key Performance Measure Percentage completion of the annual work programme as identified in the Community Strategy and Action Plan.	≥90%	88%	90%	Target not achieved as works were delayed at Katikati Cemetary and the Marae Maintenance programme. At the District libraries the percentage of total loans that were virtual was 3%, the target was ≥5%.	☹️
Key Resident Measure Level of resident satisfaction with Community Services based on two-yearly survey. This includes community development, library services and cemeteries. (Monitored by the Annual Residents' Survey, those that are 'satisfied' and 'very satisfied').	NO SURVEY	NO SURVEY	83%	The next survey is scheduled for 2017.	

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	
	TARGET	RESULT	RESULT		
Develop and deliver a coordinated Community Safety Programme in accordance with the Community Safety Policy					
Number of community safety initiatives supported by Council	9	9	10		😊
We will actively build capability in community organisations					
Number of capability building workshops held.	≥2	2	2	The Community Committee held a Housing workshop and a Migrant and Ethnic Communities workshop.	😊
We will engage with Tangata Whenua					
Number of engagement initiatives with Tangata Whenua.	≥4	29	NEW	Engagement initiatives undertaken in regard to Hapu Management Plans, specific projects e.g. resource consents for Katikati and Te Puke wastewater, Panepane Point, as well as building relationships and introducing key Council staff.	😊
Number of new or reviewed iwi/hapu management plans received.	≥2	5	NEW		😊
Library services will be maintained at Katikati, Omokoroa, Te Puke and Waihi Beach					
Number of library items available per person	≥1.95	2	1.8		😊
Library space (m2) available per 1,000 residents.	26M ²	20	26M ²	The district libraries currently have a total of 928m ² . This includes a share of 'shared services' space.	😞
Number of physical visits per annum.	≥300,000	310,889	316,762	Electronic gates which count customers were operating intermittently until repaired.	😊
We will be responsive to customers requests for service					
Percentage of service requests resolved within specified timeframe.	≥95%	94%	94%	Benchmark of 95% not achieved due to activities impacted by growth (e.g. building services) not achieving their targets.	😞
Percentage of customers that lodged a request for service who are satisfied with action taken.	≥95%	94%	NEW	This result excluded the 27 incidents where action was taken but not within the agreed timeframes. If these were included our result is 96%.	😞
Percentage customer satisfaction with service provided by frontline staff based on two-yearly survey.	≥90%	89.5%	86%	Key reasons for dissatisfaction were related to the complexity of Council processes and the need to expand our on-line interactions.	😞
We will provide cemeteries at Katikati, Maketu, Oropi and Te Puke (excludes old Te Puke cemetery as there are no further plots available for purchase)					
Number of cemeteries where plot availability is >30% of annual plot requirements or 5 plots at any one time.	4	4	4		😊
Partnerships with hall committees will be maintained					
Number of partnership agreements in place with existing hall committees. Three halls are not on Council's land so no agreement in place.	15	15	13		😊

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	
	TARGET	RESULT	RESULT		
Minimum number of notifications (per year) each hall committee will receive regarding annual budget and policy changes.	2	3	1		😊
We will provide and maintain 70 pensioner units in Katikati, Te Puke and Waihi Beach					
Percentage of service requests actioned within agreed timeframes.	≥90%	100%	0		😊
Pensioner housing occupancy rates.	≥90%	97%	97%		😊
Percentage of pensioner housing annual inspections completed.	100%	100%	73%		😊
Emergency Management services will be provided					
Percentage of Emergency Operations Centre (EOC) staff trained to operate the emergency operations centre.	≥75%	134%	55%	More people have been trained that are required to operate an Emergency Operations Centre. This ensures there is capacity to manage staff turnover or absences.	😊
Percentage of roles in the Emergency Operation Centre that are filled.	≥75%	75%	NEW	The number of positions required for operation of the Emergency Operations centre is 32.	😊
Number of community initiatives to promote emergency readiness and response (i.e. emergency plans and actions identified).	8	8	22		😊

FUTURE INITIATIVES

We will support our communities as they develop their Community Plans. Te Puna and Omokoroa have indicated they will be reviewing their plans in light of the recent development and growth in their respective communities and in the sub region.

In collaboration with the Maketu community and key interest groups we are looking to assist the development of a community hub. We will also continue to provide support, advocacy and funding as we respond to a changing landscape in each of our communities.

Construction of the Special Housing Area will commence in the 2016/17 financial year. We will also continue to look at opportunities to develop land in response the significant growth in the District.

COST OF SERVICE STATEMENT

COMMUNITIES

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Libraries, information and service centers	2,743	2,701	2,605
Community building and service contracts	1,268	1,253	901
Housing for older people	471	454	839
Cemeteries	156	157	190
Community halls	251	273	423
Civil defence emergency management	602	575	577
Gibraltar water scheme	-	(i)	-
Total operating expenditure	5,490	5,413	5,535
Analysis of expenditure by class			
Direct costs	3,736	3,680	3,212
Overhead costs	1,432	1,262	1,392
Interest	(73)	(47)	(66)
Asset revaluation	-	-	539
Depreciation	395	518	458
Total operating expenditure	5,490	5,413	5,535
Revenue			
Targeted rates	1,846	1,780	1,629
User fees	75	75	71
Financial contributions	-	-	-
Subsidies	37	-	37
Asset revaluation	-	-	512
Other income	522	458	540
Total revenue	2,480	2,313	2,789
Net cost of service - surplus/(deficit)	(3,010)	(3,100)	(2,746)
Capital expenditure	342	2,818	324
Total other funding required	(3,352)	(5,919)	(3,070)
Other funding provided by			
General rate	3,288	3,098	2,687
Debt increase/(decrease)	(4)	1,304	(29)
Proceeds from sale of assets	63	-	-
Reserves and future surpluses	5	1,517	412
Total other funding	3,352	5,919	3,070

MAJOR VARIANCES

Capital expenditure was \$2,48m lower than budget with work re-budgeted to 2016/17. This includes the Katikati Library and community hub, and the Te Puke hall strengthening.

Depreciation was \$123k lower than budget due to changes in the timing of capital works.

There were no revaluations in 2016. Revaluations are carried out every three years, the last revaluation being 2015, the next scheduled for 2018.

General rate allocation was \$190k higher than budget, funding the increase in overhead costs allocated to this activity. General rate allocation was \$601k higher than last year, funding \$399k increase in salaries after reallocation of staff resources and \$74k increase in payment of grants.

RECREATION AND LEISURE



RECREATION AND LEISURE

OVERVIEW

A sustainable, liveable community is one which can draw on well-planned recreational opportunities which are part of the 'live, learn, work, play' SmartGrowth philosophy. Whether it's fishing, hunting, swimming at the beach, river rafting, a concert in a park, strolling along the harbour edge, kicking a ball around, the outdoors is the place to do it.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Recreation and leisure facilities are well planned and safe to meet the diverse and changing needs of our community.

OUR GOALS

- Provide safe, healthy and appropriate facilities
- Provide a basic range of public facilities across our District
- Work and collaborate with the wider community including Tangata Whenua to provide and promote recreation and leisure facilities
- Support provision of sub-regional recreation and leisure opportunities
- Protect important natural environment, cultural and heritage values
- Ensure resources are secured to provide for future public recreation and leisure needs in response to population growth, changing recreational trends and the changing demographics of our communities.

2015/16 HIGHLIGHTS

Our focus again this year was to work with community groups in the development of recreational facilities. This included:

- Omokoroa Skate Path - an environmentally sustainable skate path for the Omokoroa Community was opened in May 2016. This was a result of a very successful partnership with the Omokoroa Community Skate Group (OCSG), Council and the Omokoroa Community Board. The community raised nearly \$100,000 towards this project while Council and the Community Board provided funding of \$50,000 each
- Waihi Beach Wilson Road Toilets - increased capacity toilets were built (to replace existing facility) in response to local demand for better facilities.

In conjunction with other Bay of Plenty Councils we were involved with the development of the Regional Spaces and Places Plan. This plan is designed to focus our thinking at a network wide sport and recreation facilities level. It is intended that this plan provide a framework to help guide regional provision and individual Council's levels of service for sport and recreation facilities. It is anticipated that this plan will be released for public consultation and final ratification later in 2016.

This year saw the commencement of the districts cycleway project. This was year one of a three year project. We are working in partnership with cycleway groups in Waihi Beach, Pukehina, Katikati and Te Puke.

Work continued at TECT All Terrain Park as user groups continue to develop their facilities. The dog 'off leash' area was completed and opened in September 2015. A 'Dogs Breakfast' event was held to mark the occasion, with approximately 100 participants with their dogs enjoying the facilities.

As part of our ongoing maintenance programme renewal work was completed on various seawalls and boat-ramps as well as our playgrounds through out the District.

WHAT WE PROVIDE

20 BOAT RAMPS
 9 WHARVES AND JETTIES
 5 PONTOONS

5,835 METRES OF SEA WALLS

176,396 SQUARE METRES DISTRICT-WIDE*
 ROADS & PARKING
 *excludes sub-regional parks

41 KILOMETRES OF PATHS
 1,326 METRES of boardwalks
 11,765 SQUARE METRES of walkway structures



2 SUB-REGIONAL PARKS
 54,907 SQUARE METRES of roads and parking
 7 BUILDINGS

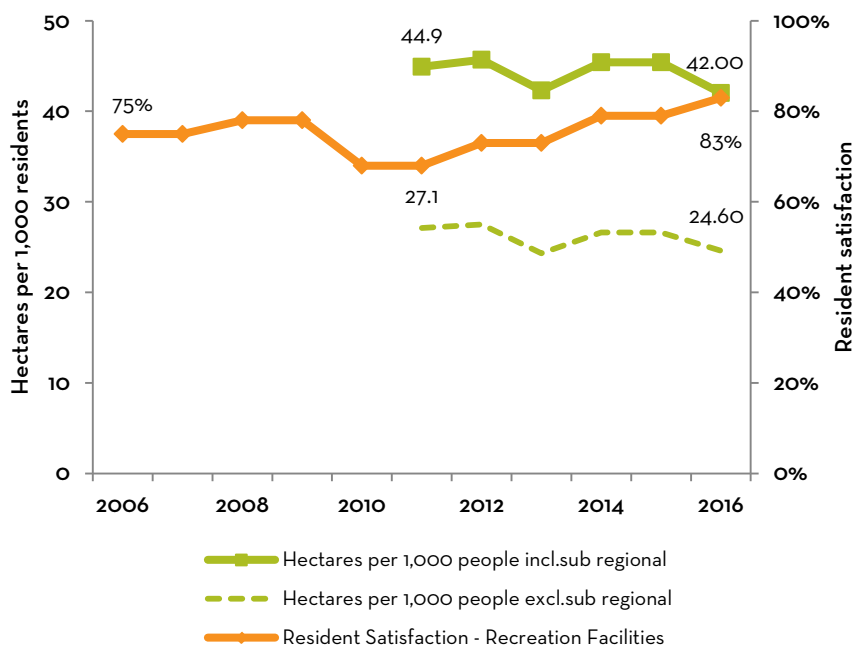
6 CAMPING GROUNDS
 69 PUBLIC TOILETS
 2 SWIMMING POOLS

32 SPORTS FIELDS
 27 PLAYGROUNDS
 44 HARD COURTS
 5 SKATE PARKS

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

RECREATION AND LEISURE - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
<p>Key Performance Measure Total hectares of park land provided for recreation or conservation purposes per 1,000 residents.</p> <ul style="list-style-type: none"> Excluding sub regional parks (TECT All Terrain Park and Huharua Harbour Park) Including Council's share of sub-regional parks. 	<p>≥25.0 HA</p> <p>≥40.0 HA</p>	<p>24.6</p> <p>42.0</p>	<p>26.6</p> <p>45.4</p>	<p>No new reserve land has been developed. Due to the population growth in the District park land available per 1,000 residents is reducing.</p>	<p>☹️</p> <p>😊</p>
<p><i>Please note: The decreasing trend is recognising population growth in the District and that facilities will be shared by more people.</i></p>					
<p>Key Resident Measure Two-yearly survey of resident satisfaction with reserves and recreational facilities and amenities. Based on residents who are 'very satisfied' and 'satisfied'.</p>	<p>≥75%</p>	<p>83%</p>	<p>NO SURVEY</p>	<p>The target and result were calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 58%.</p>	<p>😊</p>
<p>Supporting Measures Percentage of recreational facilities that have a condition rating ≤ 3 (1 excellent, 5 very poor as defined in the NZ Park and Recreation Asset Grading Standard manual).</p>	<p>≥90%</p>	<p>94.7%</p>	<p>94%</p>		<p>😊</p>
<p>Percentage of annual work programme completed as identified in the Recreation and Leisure Strategy and Action Plan. This identifies the total annual actions required for this strategy.</p>	<p>≥90%</p>	<p>97%</p>	<p>98%</p>		<p>😊</p>

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Percentage of reserve management plans that have been reviewed (3 yearly cycle) in accordance with the Reserve Management Act 1977.	100%	100%	100%		😊

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
We will provide a basic range of public facilities across our District					
Number of community safety initiatives supported by Council,					
• Actively maintained parkland (excludes sports parks)	≥5	5.0	5.4	No new reserve land has been developed. The level of park land available per 1,000 residents has reduced due to the population growth throughout the District.	😊
• Natural land	≥20	19.1	20.7		😐
• Sports parks.	≥1.5	1.5	1.6		😊
<i>Please note: this excludes the joint sub-regional TECT All Terrain Park and Huharua Harbour Park.</i>					
Number of recreational facilities provided:					
• Playgrounds per 1,000 children (under 15 years old)	≥3	2.9	3.1	Increased population has reduced the number of playgrounds available per 1,000 children.	😐
• Skateparks/paths facilities	6	6	NEW		😊
• Boat ramps	18	18	NEW		😊
• All tide boat ramps.	2	2	NEW		😊
Number of Council funded swimming pools (Katikati and Te Puke).	2	2	NEW		😊
Number of toilet facilities provided.	67	71	NEW		😊
Level of reserve-user satisfaction as monitored by the two-yearly intercept surveys ('satisfied' or 'very satisfied').	≥85%	NO SURVEY	NO SURVEY	This intercept survey has been reconfigured to an on-line survey for more regular or target information. This will be operating in the 2016/17 year.	
<i>Please note: the decreasing trend is recognising population growth in the District and that existing facilities will be shared by more people.</i>					
We will provide sub-regional parks per the joint partnership with Tauranga City Council					
Achieve Green Flag accreditation for the TECT All Terrain Park on a three yearly basis.	NO APPLICATION	ACHIEVED	NEW	Our accreditation has been reconfirmed by the Accreditation Authority through a mystery shopper visit.	😊

FUTURE INITIATIVES

Work will continue on our three year cycleway project. In 2016/17 the focus will be on the Omokoroa to Tauranga link.

The development and upgrading of facilities will continue. Key projects include the development of additional sports fields and facilities at Moore Park, the Jubilee Park Skate Path, infrastructure development at TECT All Terrain Park and new toilets at Digglemann Park.

We will continue to promote the collaborative model as we seek to work with community groups throughout the district to deliver local projects.

COST OF SERVICE STATEMENT

RECREATION AND LEISURE

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
District reserves	4,027	4,288	14,144
Motor camps	48	48	720
Swimming pools	377	292	310
Harbour structures	814	902	1,346
Sub-regional parks	689	920	972
Total operating expenditure	5,955	6,449	17,492
Analysis of expenditure by class			
Direct costs	3,331	3,636	4,655
Overhead costs	931	865	831
Interest	9	60	81
Revaluation movement	-	-	10,479
Depreciation	1,684	1,888	1,446
Total operating expenditure	5,955	6,449	17,492
Revenue			
Targeted rates	-	170	122
User fees	28	24	26
Financial contributions	1,788	1,554	815
Subsidies	124	70	247
Vested assets	220	-	428
Asset revaluation	-	-	7,188
Forestry revaluation	847	-	355
Other income	750	687	1,219
Total revenue	3,757	2,504	10,400
Net cost of service - surplus/(deficit)	(2,199)	(3,945)	(7,092)
Capital expenditure	1,979	2,102	1,564
Vested assets	220	-	428
Total other funding required	(4,398)	(6,047)	(9,084)
Other funding provided by			
General rate	4,329	4,986	4,425
Debt increase/(decrease)	(10)	(10)	(10)
Reserves and future surpluses	79	1,071	4,669
Total other funding	4,398	6,047	9,084

MAJOR VARIANCES

Financial contributions were \$235k higher than budget due to increased growth in the District.

Direct costs were \$305k lower than budget due to reduced expenditure on site maintenance and plant and pest control.

Depreciation was \$204k lower than budget due to changes in the timing of capital works.

There were no asset revaluations in 2016. Council assets such as road, reserves and utilities are revalued every three years, the last revaluation being 2015 and the next one due in 2018.

General rate allocation was \$665k below budget due to \$235k increase in financial contributions and \$305k reduction in direct costs, primarily salaries \$73k and site and plant maintenance \$128k and maintenance \$248k.

REGULATORY SERVICES



REGULATORY SERVICES

OVERVIEW

As a regulator we are required to take a balanced response to decision-making by considering the competing rights of individuals and groups to undertake particular activities.

Our decisions on these activities are influenced by:

- Legislation, regulations and national standards that we are required to comply with
- The opportunities we take to develop local policies, plans and by-laws to regulate local issues.

Our Regulatory Services Strategy includes activities which protect people and the environment by regulating and licensing aspects of commercial services and private behaviour where well-being issues arise. These activities include:

- Animal control services
- Building services
- Resource consent services
- Community protection.

Overall we aim to provide high quality regulatory services in a fair and impartial manner, ensuring that customers are kept fully informed at key stages in the service delivery process.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Regulatory services support community well-being.

OUR GOALS

- Animal control services - provide a safe environment for the public taking into account the needs of animal owners
- Building services - building work is regulated to ensure the health and safety of people and sustainability in design and construction methods
- Resource consent services - the quality of the environment enjoyed by residents and visitors is maintained and enhanced
- Community protection - protect and preserve the environment and public health and safety by minimising risks from nuisance and offensive behaviour.

2015/16 HIGHLIGHTS

ANIMAL SERVICES

This year we have sought to increase dog owner engagement with a focus on dog and owner behaviour. To do this we have held two Dog Day Out events. The first was held in Te Puke (August 2015) which focused on dog registration through late registration amnesty, microchipping and dog owner education. The second in Omokoroa (March 2016) which focused on dog behaviour where owner education sessions were held with an internationally known behaviourist.

As well as these events we have also introduced a dog owner newsletter. This is designed to improve communication and engagement with dog owners, and provide behaviour tips.

Our dog adoption programme which focuses on rehoming of suitable dogs from our shelter, resulted in 57 dogs being rehomed. This initiative recognises the positive contribution of well behaved dogs in our community as well as enhancing our reputation of a 'dog friendly' council. A dog foster programme has been introduced to support the rehoming/dog adoption initiative.

COMPLIANCE AND MONITORING

This year we held two District Licensing Committee hearings for liquor licence applications that were opposed. One licence was approved with no variations, the other is currently under appeal at the Alcohol Regulatory Licensing Authority.

The Food Act 2014 came into force this year. As a result our focus has been on communication and education to ensure food operators understand how the new act applies to them. We also held a joint workshop with the Ministry for Primary Industries and Tauranga City Council for industry representatives.

The level of noise complaints increased 12% from the previous year as well as our District Plan compliance complaints which increased 440%.

BUILDING CONSENTS

In February 2016 we retained our Building Consent Authority (BCA) status as a result of a thorough audit by International Accreditation NZ (IANZ). This is required as only registered BCA are permitted to perform building consenting and certifying functions as required by the Building Act 2004. These audits are undertaken on a two yearly basis.

The substantial growth in the District has had a significant impact on building consents. The number of building consent applications increased 66% from last year. The consequence of this was the challenge of obtaining suitably qualified staff to process consents and undertake the required inspections. At year end we have increased our staff numbers by 35% and managed to process 81% of building consents within the statutory 20 working day timeframe. In the last four months of the financial year 100% of building consents were processed within the statutory timeframes. Builders are also able to book inspections within four working days.

We continue to develop systems to enable an end to end online digital process. This means that building consents lodgement through to issue and inspection will be digital. Digital LIMs are also being developed and will be live by the end of 2016.


We participated in the 'Go Shift' cluster group which is an initiative between coalition Councils and the Ministry of Business, Innovation and Employment. The purpose of this is the standardisation of forms and processes to achieve national consistency with building consent processes.

The Papakainga Housing is a joint agency group which we chair. This is co-funded by our partner councils (Tauranga City and Bay of Plenty Regional) and Te Puna Kokiri. This year twelve trusts from our District participated and the two trusts selected to progress to design and build are from the Western Bay.

RESOURCE CONSENTS

This also has been impacted by growth in the District. As a result the number of subdivision applications received has increased by 17% and land use consents by 20%.

WHAT WE PROVIDE



RESOURCE CONSENT AND MONITORING

BUILDING INSPECTIONS

.....



BUILDING CONSENT PROCESSING



PARKING WARDENS

MOBILITY CAR PARKS



FOOD PREMISES INSPECTION LICENSING - FOOD AND LIQUOR

NOISE CONTROL



DOG POUNDS

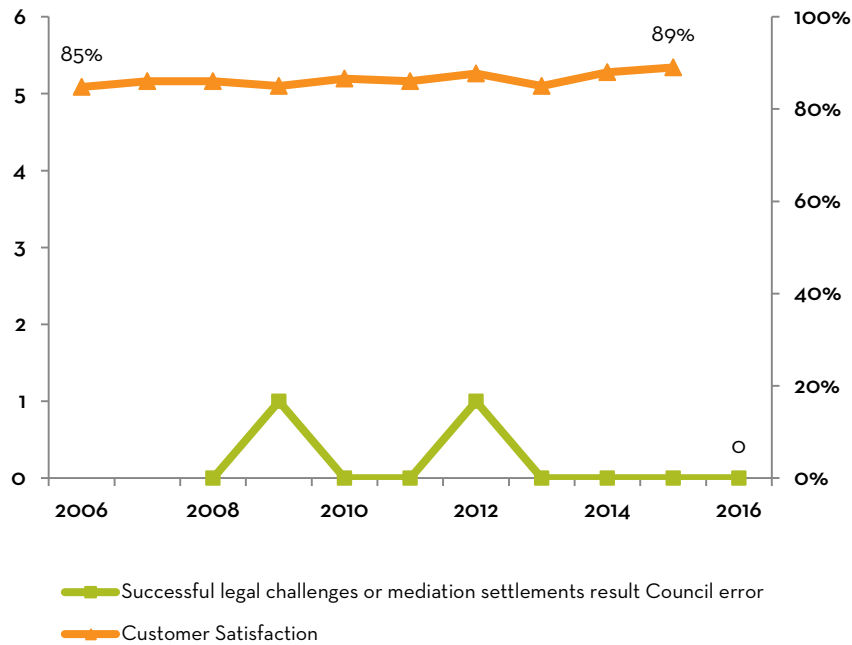
ANIMAL CONTROL OFFICERS



SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES











REGULATORY SERVICES - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Key Performance Measure Number of successful legal challenges or mediation settlements made as a result of Council staff error (excludes weathertightness claims).	0	0	0		☺
Key Resident Measure Percentage level of customer satisfaction based on customer survey of regulatory services. (This survey includes resource consents, building and animal control services, liquor licencing and registered premises).	≥85%	NO SURVEY	89%	The Animal Services survey was not completed before 30 June 2016. The survey format has been revised and will be completed in July 2016.	

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Resource consent applications will be processed within the statutory timeframe and their compliance monitored					
Percentage of all resource consent applications processed within statutory timeframes.	100%	99%	98.8%	A total of 565 applications were processed of which 5 were not within the statutory timeframe.	
Percentage resource consents monitoring schedule completed to ensure compliance with consent conditions	100%	96%	NEW	The coastal toe monitoring was not completed. As part of resource consent conditions houses must be more than 8m from the toe of the sand dune.	
Number of successful resource consent appeals.	0	0	NEW		
Building and health applications and plan checking will be processed within statutory timeframes					
Percentage of building and health applications and plan checking processed within the statutory timeframes	100%	81%	96.1%	Building consent applications increased by 51% from 2015 and new dwellings increased by 78%. Due to limited resources only 81% of processed applications were within statutory timeframes.	
Land Information Memoranda (LIM) and Project Information Memoranda (PIM) will be processed within the statutory timeframe (10 days)					
Percentage of LIM and PIM applications processed within the statutory timeframe (10 days).	100%	99.8%	99.6%	1 LIM and 5 PIM's were not processed within statutory time. LIM's received increased by 25% from previous financial year and PIMs 21%.	
Known dogs in our District are registered					
Percentage of known dogs in our District that are registered.	≥98%	98.4%	97.6%		
We will respond to customer service requests in a timely manner					
Percentage of service requests received that are actioned within specified timeframe.				Building consents exceeded timeframes due to resource constraints and staff turnover.	
• Animal	≥90%	98%	NEW		
• Building	≥90%	73%	NEW		
• Health	≥90%	89%	NEW		
• Resource consent compliance and enforcement.	≥90%	99%	NEW		

FUTURE INITIATIVES

We will continue to respond to growth issues as we anticipate growth will remain strong for the next two years. This will also require the streamlining of our processes to ensure consent applications are processed and monitored in a timely and efficient manner. This will be achieved through the continual review, digitisation and standardisation of building and resource consent processes. We will also be developing on-line forms for liquor and food licensing.

The Resource Legislation Amendment Bill is currently being reviewed and we anticipate it will be enacted before the end of 2016. As Government is seeking to reduce the processing times and what requires a resource consent our current processes will be reviewed to ensure compliance with this new legislation. Alongside this we will be holding stakeholder workshops for building and resource consents. This is a two-way initiative to educate the building and development community and identify how we can work together to improve the process for all concerned.

We will continue our dog adoption initiative and the Dog Day Out events. New animal shelters are being built at both Te Puke and Katikati. These will be completed in 2017.

COST OF SERVICE STATEMENT

REGULATORY

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
District Plan implementation	1,495	1,343	1,528
Building and health	3,709	2,688	2,072
Animal control	689	496	590
Compliance and monitoring	800	650	541
Total operating expenditure	6,693	5,177	4,731
Analysis of expenditure by class			
Direct costs	4,899	3,553	3,081
Overhead costs	1,748	1,582	1,585
Interest	(8)	(10)	4
Depreciation	54	51	61
Total operating expenditure	6,693	5,177	4,731
Revenue			
User fees	5,350	3,387	3,713
Interest	-	-	-
Other income	72	37	70
Total revenue	5,422	3,424	3,783
Net cost of service - surplus/(deficit)	(1,271)	(1,753)	(948)
Capital expenditure		-	-
Total other funding required	(1,271)	(1,753)	(948)
Other funding provided by			
General rate	1,938	2,025	1,261
Reserves and future surpluses	(667)	(273)	(313)
Total other funding	1,271	1,753	948

MAJOR VARIANCES

Increased activity in the housing market has seen higher levels of expenditure as we expand to cope with the additional transactions. This cost increase has been more than offset by a rise in user fees.

User fees are \$1.96m higher than budget. Resource consents have generated an additional \$663k, and building services an additional \$1.33m.

Direct costs were \$1.35m higher than budget. This includes an additional \$343k in salaries to handle the extra volume in transactions generated by the growth in the housing market, and a weathertight homes settlement.

Animal control costs have increased \$192k over budget. \$100k being increased overhead allocation and \$57k increased dog control costs.

TRANSPORTATION



TRANSPORTATION

OVERVIEW

Provision of a safe and effective transportation network contributes to the health and well-being of the community. An efficient transport network enables economic development that is of district, regional and national importance. The network provides strategic transport links to the major Port of Tauranga that has the largest maritime import/export freight volumes in New Zealand.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Transportation networks are safe, affordable, sustainable and planned to meet our Community's needs and support economic development.

OUR GOALS

- Transportation networks support and promote economic development
- The impact on the environment of the transportation system is mitigated where practicable
- Transport systems enable healthy activity and reduce transport-related public health risks
- Transport systems improve access and mobility
- Land use and transportation network planning are integrated.

2015/16 HIGHLIGHTS

The One Network Maintenance Contract continues to operate successfully. We have enjoyed the continuation of significant savings of approximately \$2m in the 2015/16 financial year without compromising service delivery.

In conjunction with NZ Transport Agency (NZTA) major works are being undertaken on the Te Puke Highway (revoked section of SH2). This work will bring the road up to the required standard and should address the poor safety record along this section of road.

Throughout the year maintenance and capital work is normally undertaken as part of the seal widening and seal extension programme.

This year no seal widening was completed as there were no rehabilitation projects undertaken that meet the width criteria for widening. There were also no seal extension projects due to delays caused by property issues on the intended project, the Burd Road seal extension. We are raising the level of service for footpaths with the aim of eliminating trip hazards and this work will be completed over the 2016/17 financial year.

We have commenced the development of a comprehensive programme of cycle-ways. The Tauranga Eastern Link to Paengaroa cycleway was completed in December 2015. We also completed a recreational walking and cycleway in Omokoroa.

WHAT WE PROVIDE

1,053 KILOMETRES

of network with connections to state highways



Urban roads:
154.9 KILOMETRES

Rural roads:
897.7 KILOMETRES

Sealed roads:

862.07 KILOMETRES

Un-sealed roads:

190.53 KILOMETRES

80
BRIDGES

36
CULVERTS
greater than 1.4m diameter

160.6 KILOMETRES
HARD SURFACED FOOTPATHS

1,371 METRES
METALLED SURFACED FOOTPATHS

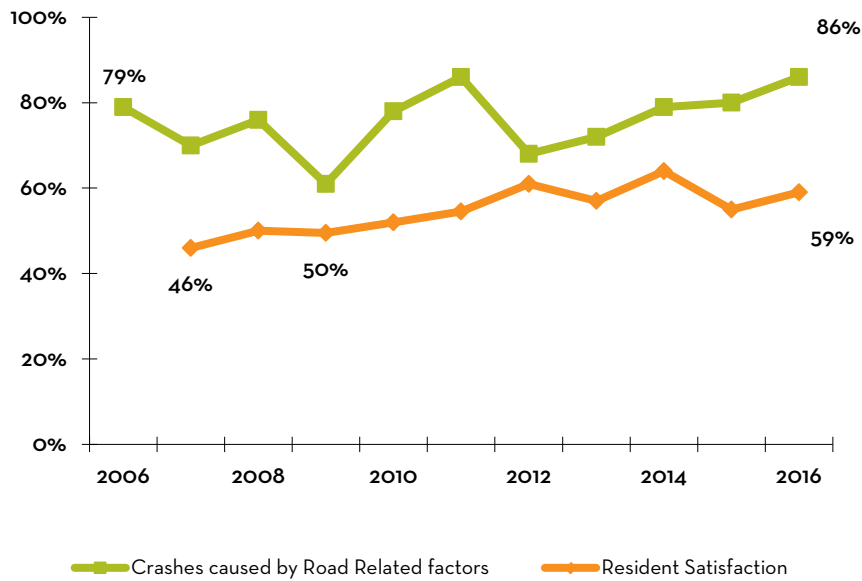
2,591
STREETLIGHTS

5,032
ROAD SIGNS

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

TRANSPORTATION - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVE
	TARGET	RESULT	RESULT		
Key Performance Measure The percentage of crashes caused by road-related factors compared to Council's peer group. (Small-medium councils as grouped by the New Zealand Transport Agency). Note: (A lower percentage is a favourable result for us).	≤90%	62%	80%		😊
Key Resident Measure Facilities and services provide social benefits to the whole community. The level of satisfaction with our Transportation activities (roading, cycling and walkways) as monitored by the Annual Residents' Survey, the percentage of residents who are 'very satisfied' and 'satisfied'.	≥60%	59%	55%	The target and result was calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 57%. Key reasons for dissatisfaction were related to road seal, pot holes and roughness.	😞
Supporting Measure The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.	0	4	NEW	There were 15 fatal/serious injury crashes during the year compared to 11 the previous year.	😞

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVE
	TARGET	RESULT	RESULT		
We will respond to customers transport related issues					
The percentage of customer service requests relating to roads and footpaths to which Council responds within 10 days.	≥90%	92%	NEW		😊
Level of customer satisfaction with action taken to resolve service requests.	≥90%	93%	90.8%		😊
The network and its facilities are up to date, in good condition and fit for purpose					
The average quality ride on a sealed local road network, measured by smooth travel exposure.	96%	94%	NEW		😐
There are a number of potential defects that develop within the pavement structure and its surface. This condition index is a weighted measure of the fault types.					
• Sealed Roads	0.3	0.28	0.22		😊
• Unsealed roads	3.0	2.51	2.72		😐
Please note: (0 = defect free; 5 = unsatisfactory).					
The percentage of the sealed local road network that is resurfaced.	≥7%	7.6%	NEW		😊
Adverse environmental effects, such as dust, noise and vibration are managed effectively					
Length of unsealed roads (km).	188KM	190 KM	191KM		😐
Number of successful prosecutions for non-compliance with Resource Management Consents and Heritage New Zealand Pouhere Taonga Act 2014 by the Bay of Plenty Regional Council or Heritage New Zealand.	0	0	0		😊
The road network is convenient, offers choices for travel and is available to the whole community					
The percentage of footpaths that fall within the level of service or service standard for the condition of footpaths as identified in the transportation asset management plan.	100%	94.4%	NEW	The scheduled maintenance to address footpath issues will be completed by October 2016.	😞
Total length of cycleways and walkways	167,000M	165,997M	NEW	Several cycleways in planning phase. The programme is behind schedule.	😐

FUTURE INITIATIVES

We anticipate that growth in the district will continue. As result we will monitor development and implement the structure plans in response to this growth. An upgrade of Omokoroa Road is scheduled for 2017 in response to the development in Omokoroa and the planned special housing area. We will also continue to work with NZTA in the development of state highways in response to growth throughout the District.

We plan to increase delivery of the seal extension programme. The annual level of seal extension is currently 3km and this will increase to 7km. We will also continue our development of walkways and cycle-ways throughout the District.

COST OF SERVICE STATEMENT

TRANSPORTATION

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Transportation	21,451	19,767	19,104
Total operating expenditure	21,451	19,767	19,104
Analysis of expenditure by class			
Direct costs	9,771	8,914	8,151
Overhead costs	1,161	1,215	1,186
Interest	1,066	1,369	1,134
Asset revaluation	-	-	758
Depreciation	9,453	8,269	7,875
Total operating expenditure	21,451	19,767	19,104
Revenue			
Targeted rates	44	43	44
User fees	36	-	11
Subsidies	6,764	6,881	6,545
Roading rate	13,490	13,000	14,379
Financial contributions	2,542	2,791	1,023
Vested assets	40,936	1,400	8
Asset revaluation	-	-	16,440
Other income	1,440	262	594
Total revenue	65,252	24,377	39,044
Net cost of service - surplus/(deficit)	43,802	4,610	19,940
Capital expenditure	6,639	12,346	9,065
Vested assets	40,936	1,400	8
Total other funding required	(3,773)	(9,136)	10,867
Other funding provided by			
General rate	50	50	-
Debt increase (decrease)	(363)	(363)	(340)
Proceeds from sale of assets	4	-	-
Reserves and future surpluses	4,083	9,449	(10,527)
Total other funding	3,773	9,136	(10,867)

MAJOR VARIANCES

Direct costs are \$857k higher than budget. Maintenance work is carried out as required and additional expenditure this year will be offset by reduced expenditure in future years under the One Network Maintenance Contract.

Vested assets includes Te Puke Highway (formally State Highway 2) vested from the New Zealand Transport Authority. This is a non cash transaction.

Other income was \$1.18m higher than budget and includes \$738k compensation from the New Zealand Transport Authority for the Tauranga Eastern Link (TEL) construction traffic effect on local roads, TEL cycleway contribution of \$225k, and \$237k bond retention for work not completed to standard.

Capital expenditure was \$5.71m under budget with a number of projects rescheduled to 2017/18. These include work on the Omokoroa structure plan \$3.60m and seal extensions \$1.50m.

Depreciation was \$1.18m higher than budget due to additional depreciation on the Te Puke Highway that was not budgeted for.

There were no revaluations in 2016. Revaluations are carried out every three years, the last revaluation being 2015, the next revaluation is scheduled for 2018.

WATER SUPPLY



WATER SUPPLY

OVERVIEW

We supply potable (drinking) water to approximately 37,000 people in our District through the water infrastructure operating in the Western, Central and Eastern supply zones. We have a varied customer base including residential, commercial, horticultural and agricultural users.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Water supply is provided to our Community in a sustainable manner.

OUR GOALS

- Provide potable water of an appropriate standard and quality to meet the needs of consumers within the three supply zones
- Sustainably manage our water resource, water supply infrastructure and consumer use of water across the three supply zones.

2015/16 HIGHLIGHTS

Work continued on the installation of water meters in the District. The eastern supply zone was completed and this will enable the implementation of a demand management programme which will lead to better water usage, identification of losses and supply information. It is envisaged that the real benefits will occur when the meters have been in place for at least two years as information gathered can identify key trends and provide history of water usage.

Our focus is to ensure customers have access to an adequate water supply. To achieve this a number of projects were undertaken. Key initiatives included:

- Tahawai - installation of a water line that links two major supplies in the western supply zone. This was a replacement of pipes that had failed prematurely
- Douglas Reservoir - installation of a pump station from the reservoir to Gnome water tanks to provide a supplementary supply. This will alleviate demand pressure on the bush supply scheme
- John Bird Road - installation of supply tanks to optimise pumping from the supply to John Bird Road
- Athenree - upgrade to supply pipeline from Athenree to the state highway, which remedied a number of significant breaks
- Manoeka Road - work commenced on a booster pump station to pump up Manoeka Road ensuring water is supplied to our customers living at the top of the road
- Maketu - installation of a booster pump station.

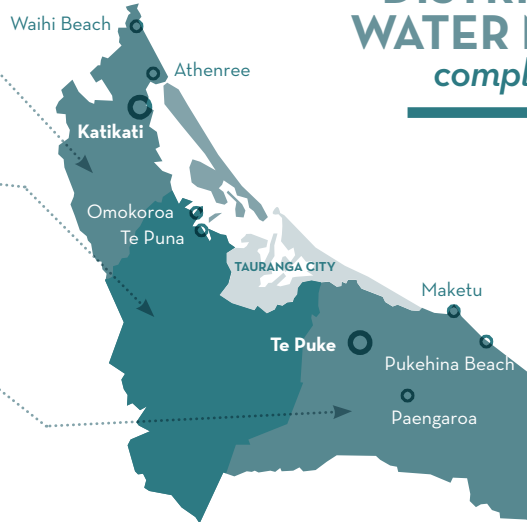
We continue to seek opportunities to educate our communities on water supply usage and conservation. In March we joined with the Regional Council in the 'Hands on Water Expo' in which 16 schools from across the region took part. Our interactive stand was focused on water leaks with key messages on water conservation, and the need to report/fix identified water leaks.

WHAT WE PROVIDE



Water reticulation operated in three supply zones:

-
- **WESTERN** ●
Waihi Beach, Katikati
- **CENTRAL** ●
Omokoroa, Te Puna
- **EASTERN** ●
Te Puke, Maketu,
Pukehina Beach,
Paengaroa

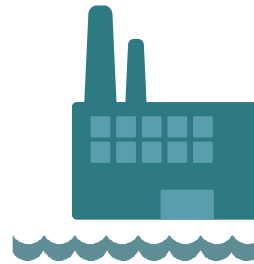


DISTRICT-WIDE WATER METERING
completed 2018

24 BOOSTER PUMP STATIONS

9 BORE FIELDS

10 WATER TREATMENT PLANTS



1 SURFACE SUPPLY
(Bush Dam)



24 RESERVOIRS & TANK SITES

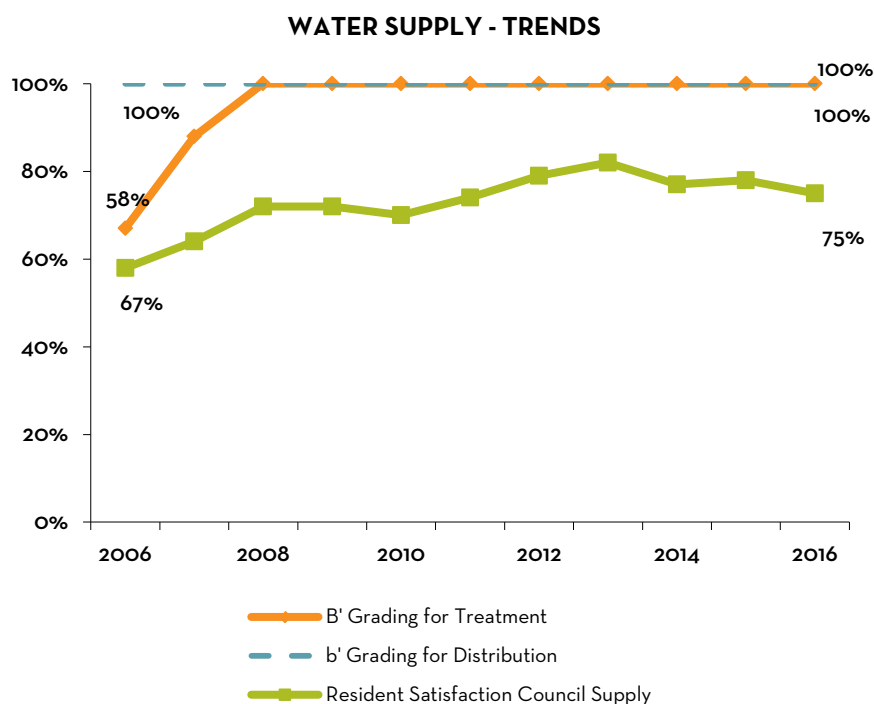


15,200 out of **15,900**

water main fronting properties are connected to Council's water supply

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES




HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Key Performance Measure For the three supply zones the percentage of Council's treated water supply with a Ministry of Health grading as per the New Zealand Drinking Water Standards 2005 (amended 2008).					
B or better for treatment	100%	100%	100%		😊
b or better for reticulation	100%	100%	100%		😊
Key Resident Measure Level of resident satisfaction with the quality of Council's water supply as monitored by the Annual Residents' Survey, percentage of residents who are 'very satisfied' and 'satisfied'.	79%	75%	78%	Three key reasons for dissatisfaction were taste, colour/cloudy and chemicals.	😞
Supporting Measure In a one-in-50-year drought event the ability to supply water to meet the normal daily water demand (1,100 litres per person per day).	100%	100%	100%		😊
Ability of reservoirs to provide a minimum of 24 hour average daily demand.	100%	100%	100%		😊

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
We will provide good quality water to service growth within the three supply zones					
Percentage of year where reservoirs are maintained at a minimum of 50% full, in accordance with Ministry of Health requirements.	100%	100%	98%		😊
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply					
The extent to which Council's drinking water supply complies with: <ul style="list-style-type: none"> • Part 4 of the drinking-water standards (bacterial compliance criteria), and • Part 5 of the drinking-water standards (protozoal compliance criteria). 	≥99%	100%	NEW	Level of compliance by water supply area: Western - 100% Central - 100% Eastern - 100% The Drinking Water Standards identify requirements for frequency of testing. While we achieved full compliance the Ministry of Health gave leniency to us as testing exceeded the required timeframe. There were enough samples taken to ensure compliance.	😊
The percentage of real water loss from Council's networked reticulation system. (this will be monitored through the water metering for the central supply area. Until water metering is completed in the eastern and western supply areas water loss will be based on a pre-defined calculation.)	≤25%	19%	NEW	District results calculated using the Water NZ water balance calculation.	😊
The average consumption of drinking water per day per resident.	≤270 LITRES	180 LITRES	NEW		😊
Respond to customer issues with the water supply					
The median response time for Council to respond to a fault or unplanned interruption to the networked reticulation system. Attendance for call-outs: from the time notification is received to the time service personnel reach the site					
• Urgent call outs	≤2 HOURS	38 MINUTES	NEW		😊
• Non urgent call outs	≤8 HOURS	6.2 HOURS	NEW		😊
Resolution of call-outs: from the time notification is received to the time service personnel confirm resolution of the fault or interruption.					
• Urgent call outs	≤8 HOURS	2 HOURS & 46 MINUTES	NEW		😊
• Non urgent call outs	≤24 HOURS	24 HOURS & 11 MINUTES	NEW		😞

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
<p>Total number of complaints received by Council about drinking water:</p> <ul style="list-style-type: none"> • clarity • taste • odour • pressure or flow • continuity of supply and <p>Council's response to any of these issues expressed per 1000 connections to the networked reticulation system.</p>	≤40	21	NEW		

FUTURE INITIATIVES

The final stage of the water metering project, Western Supply Zone will commence in the 2016/17 year. This is a two year project, and it is envisaged this will be completed in 2018.

We will continue water reticulation improvement programme in all three supply zones, as well as commission a second bore at Pongakawa and upgrade the Pongakawa treatment plant to ensure water supplied is compliant with water standards. We need to obtain a resource consent regarding the allocation of water and will focus on our role in the supply of water for the wider community. This complements the ongoing project, 'Wai Ora' which facilitates water supply to areas in the District that currently have sub standard water supply.

In conjunction with the Bay of Plenty Regional Council, we are involved in the Freshwater Future Community Groups initiative. The focus of this is to identify key stakeholders and determine what level of water quality and management is required to maintain future supplies. This is a two to three year programme.

Water metering will encourage the conservative use of water as all our customers will pay for the water they use. Water conservation will help ensure that sufficient water supply is available for all current users and provide for future generations.

COST OF SERVICE STATEMENT

WATER SUPPLY (DISTRICT-WIDE)

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Western water supply	3,494	3,462	3,583
Central water supply	2,521	2,573	2,586
Eastern water supply	4,068	4,380	4,057
Total operating expenditure	10,083	10,415	10,226
Analysis of expenditure by class			
Direct costs	4,380	4,447	4,170
Overhead costs	1,398	1,446	1,493
Interest	1,476	1,594	1,641
Asset revaluation	-	-	160
Depreciation	2,829	2,929	2,762
Total operating expenditure	10,083	10,415	10,226
Revenue			
Targeted rates	6,414	6,258	6,412
User fees	3,281	3,080	3,340
Financial contributions	1,277	820	389
Vested assets	236	200	10
Forestry revaluation	180	-	378
Other income	51	51	58
Total revenue	11,439	10,410	10,587
Net cost of service - surplus/(deficit)	1,356	(6)	361
Capital expenditure	4,142	5,559	2,081
Vested assets	236	200	10
Total other funding required	(3,022)	(5,765)	(1,730)
Other funding provided by			
Debt increase (decrease)	(761)	253	(703)
Reserves and future surpluses	3,783	5,512	2,433
Total other funding	3,022	5,765	1,730

MAJOR VARIANCES

Financial contributions were \$457k higher than budget due to increased growth in the District.

User fees were \$201k higher than budget as a result of additional water meter connections throughout the district. User fees were \$60k lower than last year, 2015 included a one off increased year end accrual.

Capital expenditure was \$1.42m under budget with a number of projects rescheduled to 2017/18. These include western water reticulation improvements \$862k and Pongakawa Water Treatment Plant enhancements \$631k. This is consistent with Council's "just in time" delivery of infrastructure.

Depreciation was \$101k lower than budget due to changes in the timing of capital works.

Targeted rates were \$156k higher than budget, the extra revenue coming from increased properties in the District.

There were no revaluations in 2016. Revaluations are carried out every three years, the last revaluation being 2015, the next revaluation is scheduled for 2018.

COST OF SERVICE STATEMENT

WATER SUPPLY (WESTERN WATER)

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Western water supply	3,494	3,462	3,583
Total operating expenditure	3,494	3,462	3,583
Analysis of expenditure by class			
Direct costs	1,600	1,481	1,535
Overhead costs	515	525	562
Interest	354	412	417
Asset revaluation	-	-	64
Depreciation	1,025	1,044	1,005
Total operating expenditure	3,494	3,462	3,583
Revenue			
Targeted rates	2,787	2,684	2,693
User fees	925	889	1,067
Financial contributions	591	242	143
Vested assets	78	100	10
Forestry revaluation	180	-	227
Other income	19	-	16
Total revenue	4,580	3,915	4,156
Net cost of service - surplus/(deficit)	1,086	453	573
Capital expenditure	1,306	1,403	422
Vested assets	78	100	10
Total other funding required	(298)	(1,050)	141
Other funding provided by			
Debt increase (decrease)	(261)	(268)	(247)
Reserves and future surpluses	559	1,318	106
Total other funding	298	1,050	(141)

COST OF SERVICE STATEMENT

WATER SUPPLY (CENTRAL WATER)

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Central water supply	2,521	2,573	2,586
Total operating expenditure	2,521	2,573	2,586
Analysis of expenditure by class			
Direct costs	1,115	1,153	1,117
Overhead costs	365	386	385
Interest	371	392	416
Asset revaluation	-	-	5
Depreciation	670	643	663
Total operating expenditure	2,521	2,573	2,586
Revenue			
Targeted rates	1,073	1,058	1,015
User fees	962	858	1,089
Financial contributions	351	289	196
Vested assets	74	50	-
Asset revaluation	-	-	34
Other income	14	-	16
Total revenue	2,474	2,255	2,350
Net cost of service - surplus/(deficit)	(47)	(318)	(236)
Capital expenditure	678	963	116
Vested assets	74	50	-
Total other funding required	(799)	(1,330)	(352)
Other funding provided by			
Debt increase (decrease)	(168)	10	(152)
Reserves and future surpluses	967	1,320	504
Total other funding	799	1,330	352

COST OF SERVICE STATEMENT

WATER SUPPLY (EASTERN WATER)

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Eastern water supply	4,068	4,380	4,057
Total operating expenditure	4,068	4,380	4,057
Analysis of expenditure by class			
Direct costs	1,665	1,813	1,517
Overhead costs	518	535	547
Interest	751	790	808
Asset revaluation	-	-	91
Depreciation	1,134	1,242	1,094
Total operating expenditure	4,068	4,380	4,057
Revenue			
Targeted rates	2,554	2,516	2,704
User fees	1,394	1,334	1,185
Financial contributions	335	288	49
Vested assets	84	50	-
Asset revaluation	-	-	117
Other income	18	51	25
Total revenue	4,385	4,239	4,080
Net cost of service - surplus/(deficit)	317	(141)	23
Capital expenditure	2,158	3,194	1,543
Vested assets	84	50	-
Total other funding required	(1,925)	(3,385)	(1,520)
Other funding provided by			
Debt increase (decrease)	(332)	511	(303)
Reserves and future surpluses	2,257	2,874	1,823
Total other funding	1,925	3,385	1,520

STORMWATER



STORMWATER

OVERVIEW

Stormwater systems are built to protect buildings and property from the effects of flooding and coastal erosion. These systems include watercourses, open channels, swales and structures that channel stormwater to a final discharge point. Our systems include primary and secondary overland flow paths, stormwater detention and stormwater treatment.

There are legislative requirements regarding the quality and quantity of stormwater released and we must meet these statutory obligations. Under the Resource Management Act 1991 district councils must manage land use in a way that minimises environmental effects.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Stormwater approaches are innovative, affordable and sustainable and lead to a reduction in flooding events. (Flooding events are defined as an overflow of stormwater from a stormwater system that enters a habitable floor).

OUR GOALS

To develop a catchment based flood risk management framework that recognises and allows for the nature and behaviour of surface water systems to improve community resilience from potential flooding; by ensuring that:

- There is a localised reduction of the risk of flooding events in existing floodable areas
- There is no increase in flooding event risk to existing development from new development or land use change
- Urban development is avoided in flood-prone areas unless mitigation measures can be provided that do not affect the capacity / effective functioning of existing downstream stormwater systems
- Communities are engaged and informed about various approaches to stormwater management and their views are sought and taken into account
- Compliance and monitoring activities are carried out
- Communities are engaged and informed about various approaches to coastal erosion management and their views are sought and taken into account.

2015/16 HIGHLIGHTS

This year there was a reduction in the number of stormwater / flooding issues during significant weather events. This is attributed to our proactive approach when significant weather events are forecast. This involved visiting known trouble spots and taking corrective and precautionary action before the event occurs.

We prepared the central catchment comprehensive stormwater consent application. This involved developing a catchment management plan for the Te Puna West Urban Zone and Minden. Pirirakau undertook a cultural impact assessment for the application and we held a number of meetings within the community to discuss stormwater issues for the Te Puna / Minden area. We will be lodging this consent in late 2016.

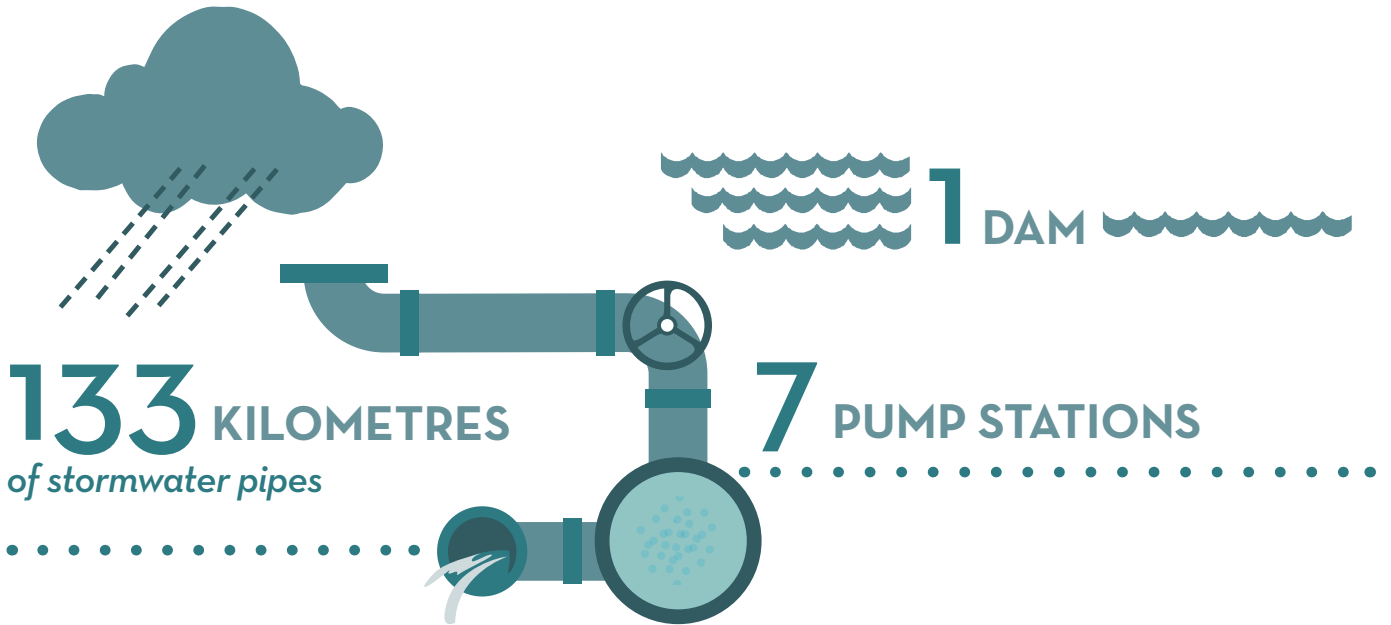
A stormwater model for Te Puke was completed and the flood hazard maps have been revised. Information from this will be used to inform our District Plan.

Significant stormwater works were completed in Waihi Beach to address flooding and erosion issues. This included:

- Obtaining resource consent for construction of bank protection works along Two Mile Creek down stream of Dillon Street bridge
- Working with community as part of resource consent process to undertake construction upstream of Two Mile Creek
- Installation of a rectangular boxed culvert to replace twin culverts to address the undersized flow restriction which caused flooding

Other protection works identified in our 2013/14 Annual Plan have been reprioritised as part of the bigger picture for Waihi Beach community. The planned expense will now occur over the next ten years.

WHAT WE PROVIDE



2,551 MANHOLES

13 SOAKHOLES

505 CATCHPITS

34.6 KILOMETRES
of open drains

1.2 KILOMETRES
of rising mains

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

STORMWATER - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
<p>Key Performance Measure The number of times flooding occurs outside identified flood-prone urban areas during a one-in-50 year or less storm event.</p> <p>This performance measure is assessed on a per event basis i.e. flooding in more than one location in a single event will be counted as 1.</p>	≤3 EVENTS	0 (EVENTS)	0 (EVENTS)	There were no flooding events in the 2015/16 year.	😊
<p>Key Resident Measure Resident satisfaction level with stormwater systems, as monitored by the Annual Residents Survey; percentage of residents who are “very satisfied” or “satisfied”.</p>	≥65%	73%	70%	The target and result were calculated excluding those surveyed who ‘don’t know’. The survey result including those that don’t know is 62%	😊

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
We will provide stormwater assets to minimise risks of flooding events					
Based on the number of flooding events that occur within the District. For each flooding event (district wide), the number of habitable floors affected (expressed per 1000 properties connected to Council's stormwater system).	≤30 (3%) PER EVENT	0	NEW	There were no flooding events in the 2015/16 year.	😊
For a one in ten year flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to Council's stormwater system).	PER EVENT				
Waihi Beach	≤60 (6%)	0	NEW	There were no flooding events in the 2015/16 year.	😊
Katikati	≤10 (1%)	0	NEW		😊
Omokoroa	≤10 (1%)	0	NEW		😊
Te Puke	≤30 (3%)	0	NEW		😊
Maketu	≤30 (3%)	0	NEW		😊
Compliance with Council's resource consents for discharge from our stormwater system, measured by the number of:					
• Abatement notices	0	0	NEW		😊
• Infringement notices	0	0	NEW		😊
• Enforcement orders, and	0	0	NEW		😊
• Convictions	0	0	NEW		😊
received by Council in relation to those resource consents					
We will be responsive to customer's stormwater issues					
The median response to attend a flooding event, measured from the time that Council receives the notification to the time that service personnel reach the site.	≤120 MINUTES	NO EVENTS	NEW		😊
The number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the Council's stormwater system.	≤30	0.8	NEW		😊

FUTURE INITIATIVES

We will complete the comprehensive District-wide (western, central and eastern) stormwater application with the exclusion of Omokoroa as a stormwater consent is already held for this community. The consent for the western area will be progressed through the Environment Court due to one appellant. The eastern area consent has been lodged and requires further consultation with Iwi. This is planned to occur in at the beginning of 2017.

A flood mapping exercise will be undertaken in conjunction with the Bay of Plenty Regional Council for Waihi Beach.

This entails the development of a stormwater model and a review and update of the flood hazard zoning required for our District Plan and for the Regional Council's Regional Policy Statement.

As part of our stormwater maintenance and renewal programme there will be significant upgrades to the stormwater network in Te Puna and at Washer Place Te Puke to address flooding and erosion.

Apply for consent above Dillon Street bridge - to construct erosion control in Two Mile Creek at Waihi Beach.

COST OF SERVICE STATEMENT

STORMWATER

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Stormwater	3,882	4,082	4,618
Waihi Beach coastal protection	115	150	135
Total operating expenditure	3,997	4,232	4,753
Analysis of expenditure by class			
Direct costs	643	752	882
Overhead costs	530	585	555
Interest	1,669	1,728	1,821
Asset revaluation	-	-	346
Depreciation	1,155	1,167	1,149
Total operating expenditure	3,997	4,232	4,753
Revenue			
Targeted rates	3,681	3,696	2,742
User fees	1	-	-
Financial contributions	551	733	65
Vested assets	629	300	10
Asset revaluation	-	-	76
Other income	2	160	3
Total revenue	4,864	4,890	2,896
Net cost of service - surplus/(deficit)	867	657	(1,857)
Capital expenditure	217	1,708	137
Vested assets	629	300	10
Total other funding required	21	(1,351)	(2,004)
Other funding provided by			
General rate	1,134	1,134	194
Debt increase/(decrease)	(401)	103	(435)
Reserves and future surpluses	(754)	114	2,245
Total other funding	(21)	1,351	2,004

MAJOR VARIANCES

Financial contributions were \$182k lower than budget due to distribution of growth in the District, however they were \$486k higher than 2015 reflecting the upturn in growth around the District.

Vested assets were \$329k higher than budget as a result of increased development growth in the District. These assets which include gravity mains, and manholes, are installed by developers and vested to Council on completion.

Other income budget of \$160k includes subsidies and grants to fund capital expenditure. This capital expenditure was deferred.

An increase in the stormwater uniform annual charge and an increase in the number of rateable properties resulted in a \$939k increase in targeted rates compared to 2015. This was consulted on as part of the 2015-2025 Long Term Plan.

Capital expenditure was \$1.49m under budget. Waihi Beach Two Mile Creek downstream was \$431k under budget pending further consultation with land owners and design finalisation, and Otawhiwi Marae stormwater drain \$400k was not started and is subject to external funding.

General rate contribution reflects the amended revenue and finance policy for stormwater, where 90% of rating income is provided by the stormwater UAC and 10% is contributed from the General rate.

There is also a contribution from the General rate to fund growth related debt. This was consulted on, and is incorporated in the financial strategy included in the 2015-25 Long Term Plan.

NATURAL ENVIRONMENT



NATURAL ENVIRONMENT

OVERVIEW

The natural environment of the Western Bay is one of our most valuable assets covering 212,000 hectares of coastal, rural and urban areas. The land of the Western Bay of Plenty faces north-east to the sea. To the West are the rugged bush-covered Kaimai ranges. Numerous streams drain the Kaimais, flowing down through the hills and coastal lowlands into the swampy estuaries and mudflats of the Tauranga Harbour.

The activities that are provided within the Natural Environment Strategy include:

- Environmental education programmes and initiatives delivered mostly through service delivery contracts with Wild About New Zealand and Coastcare
- Support for community based environmental projects provided by our Environmental Development Officer who helps communities to realise their capacity to drive and implement environmental projects
- Fencing subsidies to encourage the protection of important ecological areas on private land
- A small fund that can be used to support projects or initiatives that enhance the quality of the environment.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Areas of our natural environment with important environmental, cultural and heritage values are protected.

OUR GOALS

- Support the provision of environmental education and information across our District
- Support community based environmental projects.

2015/16 HIGHLIGHTS

During the year we continued to support and assist community based groups in their work on environmental projects. Our assistance ranged from administration support to helping to translocate endangered bird species.

To help stimulate environmental activity within the Te Puke area we sponsored the Te Puke Environment Expo. This expo was held on 2nd July 2016 and resulted in a number of people volunteering to assist various projects around Te Puke.

Through our Community Matching Fund the largest grant went to the Aongatete Outdoor Education Centre who were partnering with the Aongatete Forest Restoration Trust. They obtained funding to erect 29 interpretative panels covering geology, rongoa (medicinal plants); interesting aspects of the ecosystem; and conservation. This one grant answered the needs of several groups including Forest and Bird. The official unveiling of the nature trail is scheduled for September 2016.

We continued to support the Biodiversity Management Plans for environmental care groups. There are currently four plans in place. Our support involves a 25% cost share on many of the project costs. We also continued our support for private land owners with subsidies for fencing off and planting of ecological features and water ways and the rehabilitation of wetland remnants.

We supported various community projects by supplying plants. These projects included: Pongakawa School wetlands, Ngamuwahine School Camp, Te Arakahikatea walkway (Te Puke) and the Maketu Taiapure's 'Borrow Pits' project on the Kaituna River that aims to restore whitebait habitat and populations.



EDUCATION PROGRAMMES & INITIATIVES

Support for
**ENVIRONMENTAL
SERVICE DELIVERY
PROVIDERS**

FENCING SUBSIDIES
(protected bush lots)



COMMUNITY GROUP SUPPORT

**LIAISON WITH THE REGIONAL COUNCIL
AND PARTNERS**
with a focus on environmental issues

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

NATURAL ENVIRONMENT - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	
	TARGET	RESULT	RESULT		
Key Performance Measure Number of protection lots monitored to ensure compliance with covenants.	≥40	100	NEW		😊
Key Resident Measure Percentage of residents surveyed who perceive the environmental attributes monitored have improved or being maintained. <i>Please note: the environmental features monitored include the quality of streams and rivers, harbours and estuaries, air quality, the amount of noxious weeds, protection of historic places, general level of cleanliness and the amount and quality of native plants and animals.</i>	≥40%	81%	41%	This result exceeds the target as this measure now includes those who perceive the environmental attributes have been maintained i.e. it is neither better or worse. The target and result were calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 73%.	😊
Supporting Measure Annual number of training initiatives supported.	≥5	5	NEW		😊

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Facilitate and support community involvement in protecting and enhancing the natural environment					
Percentage of environmental groups that Council actively supports.	≥50%	37.5%	NEW	Only 15 groups are actively supported.	😞
Number of individual landowners actively supported to protect remnant bush and riparian zones.	≥50	21	30	This result is dependent upon the number of contracts successfully negotiated by Regional Council.	😞

FUTURE INITIATIVES

We will continue to explore opportunities to increase the level of support provided to environmental groups particularly in relation to the completion of larger projects which often incur some project management costs.

We will assist the Otanewainuku Kiwi Trust in the second translocation of Kokako from the Kaharoa forest in Rotorua. The Kokako is an endangered species and does not survive where there is no protection from pests.

The Otanewainuku forest is pest free and the first introduction of the Kokako are now breeding successfully.

The Community Matching Fund continues to provide a valid option for funding of environmental projects with \$39,000 allocated each year. This has been underspent for two years. More work will be done with environmental groups on promoting this fund.



COST OF SERVICE STATEMENT

NATURAL ENVIRONMENT

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Environment protection grants	96	101	97
Natural environment support	271	235	274
Coastcare	46	55	36
Ecological impact fees	5	-	-
Waihi District Drainage - drains	110	126	-
Waihi District Drainage - pumps	168	173	-
Total operating expenditure	696	691	407
Analysis of expenditure by class			
Direct costs	646	639	361
Overhead costs	42	45	39
Depreciation	8	7	7
Total operating expenditure	696	691	407
Revenue			
Targeted rates	316	313	15
Financial contributions	158	111	58
Other income	-	-	-
Total revenue	474	424	73
Net cost of service - surplus/(deficit)	(222)	(267)	(334)
Capital expenditure	-	-	-
Total other funding required	(222)	(267)	(334)
Other funding provided by			
General rate	146	130	142
Environmental protection rate	45	45	30
Reserves and future surpluses	31	92	162
Total other funding	222	267	334

WASTEWATER



WASTEWATER

OVERVIEW

Our long term goal for wastewater is to ensure that wastewater treatment and disposal systems are sustainable and continue to meet environmental and health and safety standards. We will continue to encourage households to explore and implement measures that reduce wastewater volume per person.

We have five wastewater treatment plants at Katikati, Omokoroa, Maketu/Little Waihi, Te Puke and Waihi Beach.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Wastewater services are well planned and maintained to ensure a clean and healthy environment.

OUR GOALS

- All areas in our District served by reticulated wastewater disposal systems meet acceptable health, safety and environmental standards
- Assist small urban communities along the Tauranga Harbour to ensure that the wastewater disposal options available to them meet health and safety requirements.

2015/2016 HIGHLIGHTS

We finished our pre-application work for our resource consent renewals for the Katikati and Te Puke treatment plants. These discharge consents have now been lodged with Regional Council and we are seeking a 20 year consent for Katikati and 35 year consent for Te Puke. Extensive community and iwi consultation has been undertaken in conjunction with the consent applications. We also applied for a 20 year resource consent to allow us to inspect the Katikati pipeline which goes through the harbour. The consent, if granted will allow us to gain a better understanding of the condition of the pipeline and its expected life.

This year in Katikati we monitored the wastewater flows to identify where stormwater may be entering the network. When stormwater gets into the network it increases the flow to the treatment plant, resulting in increased operating expenditure and the potential for wastewater overflows. Where issues are identified remedial action is taken or scheduled to address the problem. The Katikati treatment plant undertook a number of significant upgrades. In doing this the treatment plant discharge quality has been improved and the treatment plant meets resource consent conditions. Landscaping and fencing was also completed around the treatment plant.

At Waihi Beach we installed an additional sludge storage pond to address the sludge build up at the treatment plant. The ultra violet sterilisation scheme was also upgraded and riparian landscaping was completed at the treatment plant.

At the Maketu treatment plan we planted a buffer zone between the irrigation and the Hilltop Holiday Park. The decant pond was covered to prevent algal growth in the summer, and the sludge trailer was covered to control flies and odour in the summer months.

At Te Puke wastewater treatment plant netting was placed over the curation zone, to address health and safety issues. Other treatment plants are also being monitored in terms of the new health and safety legislation and issues identified are addressed on an ongoing basis.

WHAT WE PROVIDE

MAKETU

37.8

- KILOMETRES
- of pipes

522

HOUSEHOLD PUMPS

2

BOOSTER PUMPS

- treatment plant with two sequential batch reactor tanks and emergency pond
- discharge to land via subsurface drip irrigation

OMOKOROA

64.4

- KILOMETRES
- of pipes

14

PUMP STATIONS

- sewage is pumped to the Tauranga City Chapel Street plant for treatment

TE PUKE

71.5

- KILOMETRES
- of pipes

7

PUMP STATIONS

- treatment plant with a sequentially activated sludge system, ultraviolet disinfection and wetland

KATIKATI

73.2

- KILOMETRES
- of pipes

14

PUMP STATIONS

- treatment plant with aerated lagoons, ultraviolet disinfection and wetland

WAIHI BEACH

79.0

- KILOMETRES
- of pipes

23

PUMP STATIONS

- treatment plant with aerated lagoons, ultraviolet disinfection and wetland

SERVICE PERFORMANCE RESULTS






RESULT TRENDS FOR KEY MEASURES



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Key Performance Measure Percentage compliance with Resource Consents for each wastewater scheme:					
• Katikati	≥93%	96.9%	93%	The Te Puke wastewater treatment plant did not reach the target due to equipment failure. This was a result of unidentified substance entering the plant as well as mechanical issues with the de-watering units.	😊
• Maketu/Little Waihi	≥92%	95.8%	97%		😊
• Te Puke	≥97%	92.5%	94%		😞
• Waihi Beach	≥97%	99.2%	97%		😊
Key Resident Measure Level of resident satisfaction with Councils reticulated wastewater disposal system as monitored by the Annual Residents' Survey, those residents who are 'very satisfied' and 'satisfied'.	≥95%	91%	95%	The target and result were calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 87%. Key reasons for dissatisfaction are based on cost and reliability.	😞

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Maintain wastewater systems and have capacity to meet demand					
<p>The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system.</p> <p>NOTE: only applies when, 1mm of rain has fallen in a 24 hr period.</p>	≤2	3.3	NEW	Dry weather overflows occur where there is less than 1mm of rain. This is usually a result of system abuse where items that are not compatible (e.g. fat, clothing etc) are disposed of in the system.	
<p>Compliance with resource consents for discharge from the sewerage system measured by the number of;</p> <ul style="list-style-type: none"> • Abatement notices • Infringement notices • Enforcement orders • Convictions. <p>received in relation to those resource consents.</p>	0	0	NEW		
Provide wastewater services that meet customer needs					
<p>The median response time for Council to attend to sewerage overflows resulting from a blockage or other fault in the Council sewerage system.</p> <ul style="list-style-type: none"> • Attendance time: from the time that Council receives notification to the time that service personnel reach the site. 	≤1 HOUR	31 MINUTES	NEW		
<ul style="list-style-type: none"> • Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault. 	≤24 HOURS	2 HOURS & 40 MINUTES	NEW		
<p>The total number of complaints received by Council about:</p> <ul style="list-style-type: none"> • Sewerage odour • Sewerage system faults • Sewerage system blockages • Council's response to issues with sewerage system. <p><i>Expressed per 1000 connections to the Councils sewerage system.</i></p>	≤45	22.6	NEW		

FUTURE INITIATIVES

The reticulation for the Te Puna West wastewater scheme will begin in November 2016. This will be linking into the Omokoroa pipeline to Tauranga. We will undertake the design and investigations for Ongare Point wastewater in 2016 with the aim of completing the reticulation in 2017.

We will continue to work with the iwi, community members and the working group in regard to the resource consent renewal discharge options for Katikati and Te Puke. Upgrade work will also be undertaken at the Te Puke treatment plant.

At Waihi Beach we will undertake an infiltration and inflow study as part of the wastewater treatment plant resource consent conditions. We will also complete a wastewater model to enhance our understanding of capacity issues.

We will be developing a District-wide bio-solids road map. This will enable us to understand how we manage bio-solids from the various wastewater treatment plants.

We will continue to work with the Bay of Plenty Regional Plan in the review of the On Site Effluent Treatment Plan. This is a 2 - 3 year project regarding property owners wastewater systems.

COST OF SERVICE STATEMENT

DISTRICT-WIDE WASTEWATER

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Waihi Beach wastewater	3,427	3,424	3,350
Katikati wastewater	1,856	1,900	1,708
Omokoroa wastewater	3,938	4,060	4,481
Te Puke wastewater	1,796	1,737	1,817
Maketu wastewater	1,291	1,190	1,168
Ongare wastewater	6	50	-
Total operating expenditure	12,314	12,360	12,524
Analysis of expenditure by class			
Direct costs	3,981	3,915	3,375
Overhead costs	1,294	1,310	1,286
Interest	3,539	3,651	3,876
Asset revaluation	-	-	522
Depreciation	3,500	3,484	3,465
Total operating expenditure	12,314	12,360	12,524
Revenue			
Targeted rates	9,323	9,338	8,819
User fees	5	2	2
Financial contributions	1,545	1,382	258
Vested assets	386	340	12
Asset revaluation	-	-	142
Other income	30	-	43
Total revenue	11,289	11,062	9,276
Net cost of service - surplus/(deficit)	(1,025)	(1,298)	(3,248)
Capital expenditure	1,436	1,009	509
Vested assets	386	340	12
Total other funding required	(2,847)	(2,647)	(3,769)
Other funding provided by			
General rate	950	950	482
Environmental protection rate	444	468	476
Debt increase/(decrease)	(803)	(739)	(1,141)
Reserves and future surpluses	2,256	1,969	3,952
Total other funding	2,847	2,647	3,769

MAJOR VARIANCES

Financial contributions were \$163k higher than budget and \$1.29m higher than 2015 due to increased growth in the District.

Capital expenditure was \$426k higher than budget, including Katikati wastewater where timing has been brought forward from 2016/17.

Interest is lower than budget by \$94k and lower than last year by \$319k. This is a result of paying down debt more quickly than forecast and the contribution from the General Rate as set out in Council's Financial Strategy.

An increase in the wastewater uniform annual charge and an increase in the number of rateable properties resulted in an additional \$504k being collected from wastewater targeted rates over last year.

General rate - Council policy is to fund from the general rate an average of \$2.5m per year to cover the shortfall in financial contributions income that would have funded interest on growth related debt. Funding for wastewater was \$950k.

There were no revaluations in 2016. Revaluations are carried out every three years, the last revaluation being 2015, the next revaluation is scheduled for 2018.

COST OF SERVICE STATEMENT

WAIHI BEACH WASTEWATER

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Waihi Beach wastewater	3,427	3,424	3,350
Total operating expenditure	3,427	3,424	3,350
Analysis of expenditure by class			
Direct costs	1,158	1,091	790
Overhead costs	273	279	268
Interest	1,098	1,152	1,225
Asset revaluation	-	-	177
Depreciation	898	902	890
Total operating expenditure	3,427	3,424	3,350
Revenue			
Targeted rates	3,159	3,169	3,073
User fees	3	-	1
Financial contributions	344	79	60
Vested assets	44	200	12
Other income	11	-	12
Total revenue	3,561	3,448	3,158
Net cost of service - surplus/(deficit)	134	24	(192)
Capital expenditure	194	173	221
Vested assets	44	200	12
Total other funding required	(104)	(349)	(425)
Other funding provided by			
General rate	350	350	140
Environmental protection rate	124	124	127
Debt increase/(decrease)	(513)	(530)	(450)
Reserves and future surpluses	143	405	608
Total other funding	104	349	425

COST OF SERVICE STATEMENT

KATIKATI WASTEWATER

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Katikati wastewater	1,856	1,900	1,708
Total operating expenditure	1,856	1,900	1,708
Analysis of expenditure by class			
Direct costs	718	700	567
Overhead costs	293	296	293
Interest	115	162	138
Depreciation	730	742	710
Total operating expenditure	1,856	1,900	1,708
Revenue			
Targeted rates	1,830	1,834	1,774
User fees	1	-	1
Financial contributions	560	275	75
Vested assets	116	70	-
Asset revaluation	-	-	127
Other income	9	-	11
Total revenue	2,516	2,179	1,988
Net cost of service - surplus/(deficit)	660	279	280
Capital expenditure	930	270	195
Vested assets	116	70	-
Total other funding required	(386)	(61)	85
Other funding provided by			
Environmental protection rate	76	76	75
Debt increase/(decrease)	(60)	(92)	(137)
Reserves and future surpluses	370	76	(23)
Total other funding	386	61	(85)

COST OF SERVICE STATEMENT

OMOKOROA WASTEWATER

	ACTUAL \$'000	BUDGET \$'000	ACTUAL \$'000
	2016	2016	2015
Analysis of expenditure by activity			
Omokoroa wastewater	3,938	4,060	4,480
Total operating expenditure	3,938	4,060	4,480
Analysis of expenditure by class			
Direct costs	685	806	760
Overhead costs	283	280	270
Interest	2,230	2,264	2,376
Asset revaluation	-	-	335
Depreciation	740	709	739
Total operating expenditure	3,938	4,060	4,480
Revenue			
Targeted rates	1,464	1,473	1,406
User fees	1	-	-
Financial contributions	557	779	122
Vested assets	161	70	-
Other income	2	-	9
Total revenue	2,184	2,322	1,537
Net cost of service - surplus/(deficit)	(1,754)	(1,737)	(2,943)
Capital expenditure	2	100	-
Vested assets	161	70	-
Total other funding required	(1,917)	(1,907)	(2,943)
Other funding provided by			
General rate	600	600	342
Environmental protection rate	118	118	169
Debt increase/(decrease)	(181)	(82)	(153)
Reserves and future surpluses	1,379	1,271	2,585
Total other funding	1,917	1,907	2,943

COST OF SERVICE STATEMENT

TE PUKE WASTEWATER

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Te Puke wastewater	1,796	1,737	1,817
Total operating expenditure	1,796	1,737	1,817
Analysis of expenditure by class			
Direct costs	838	810	814
Overhead costs	299	301	298
Interest	(49)	(52)	(9)
Asset revaluation	-	-	10
Depreciation	708	678	704
Total operating expenditure	1,796	1,737	1,817
Revenue			
Targeted rates	2,422	2,456	2,124
Financial contributions	82	237	-
Vested assets	65	-	-
Asset revaluations	-	-	15
Other income	7	-	9
Total revenue	2,576	2,693	2,148
Net cost of service - surplus/(deficit)	780	957	331
Capital expenditure	217	366	62
Vested assets	65	-	-
Total other funding required	498	591	269
Other funding provided by			
Environmental protection rate	102	102	89
Debt increase/(decrease)	(49)	(35)	(401)
Reserves and future surpluses	(551)	(658)	43
Total other funding	(498)	(591)	(269)

COST OF SERVICE STATEMENT

MAKETU WASTEWATER

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Maketu wastewater	1,291	1,190	1,168
Total operating expenditure	1,291	1,190	1,168
Analysis of expenditure by class			
Direct costs	576	457	443
Overhead costs	146	154	156
Interest	145	126	146
Depreciation	424	453	423
Total operating expenditure	1,291	1,190	1,168
Revenue			
Targeted rates	448	406	441
User fees	-	2	-
Financial contributions	2	11	-
Other income	2	-	3
Total revenue	452	419	444
Net cost of service - surplus/(deficit)	(839)	(771)	(724)
Capital expenditure	92	100	30
Vested assets	-	-	-
Total other funding required	(931)	(871)	(754)
Other funding provided by			
Environmental protection rate	17	17	17
Reserves and future surpluses	914	854	737
Total other funding	931	871	754

SOLID WASTE



SOLID WASTE

OVERVIEW

Human activity is inextricably linked to the health of our natural environment. A healthy environment is essential for overall well-being and prosperity. With our population growing, so demands on our natural resources will increase. The challenge is to lessen our impacts on the environment and reduce consumption and waste. Our Solid Waste Strategy sets out our sustainable development approach to the management of solid waste activities across our District.

The primary aim of this Strategy is to reduce the amount of waste produced by reducing, reusing, recycling and recovering.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

Efficient waste management practices minimise environmental harm and waste.

OUR GOALS

- Minimise the total quantity of residual waste for disposal through effective planning, education and enforcement so people reduce, reuse and recycle
- Provide good information so people dispose of residual waste in an environmentally acceptable manner
- Work with our communities to create a clean environment by encouraging and recognising innovative solutions to waste problems.

2015/2016 HIGHLIGHTS

This year we have enjoyed a 20% increase in usage of our recycling centres, with over 200 vehicles using the centre every three hours. In recognising the increased usage we have continued to refine our processes and modify our facilities. This includes the upgrade of the Athenree recycling centre to increase storage area available for product. At Katikati we have investigated a new system to receive glass and cardboard, in order to comply with the new Health and Safety Legislation. This will be rolled out to all the recycling centres in the New Year. New product signage has also been installed at the centres.

The Matakana Island community in conjunction with the Ministry of Environment have established a recycling facility on Matakana Island. It has been a challenge for them to move product off the island. However, by utilising the trucks to deliver compost to the island for their nursery we are able to backload recycling product back to Katikati for processing. We have also arranged with the metal recycler to remove the metal collected at the recycling centre off the island.

Our first Waste Management & Minimisation Plan (WMMP) was completed jointly with Tauranga City Council in 2010. This plan must be reviewed every six years as a legislative requirement under the Waste Minimisation Act 2008 that requires Councils to promote effective and efficient waste management and minimisation within its district. The review of this plan has commenced and while a joint vision, objectives and goals were agreed by the Joint Governance Committee in May 2016, the plan will be developed separately. As a result we won't meet the deadline and our waste levy will be retained until the plan is reviewed.

The number of abandoned vehicles we are required to dispose has increased and this has been attributed to the decline in metal prices. We anticipate this trend will continue.

To discourage the disposal of household waste on the road side a 'sting' operation was undertaken on Te Matai Rd. Based on the evidence found this provided the opportunity to identify and fine the offenders.

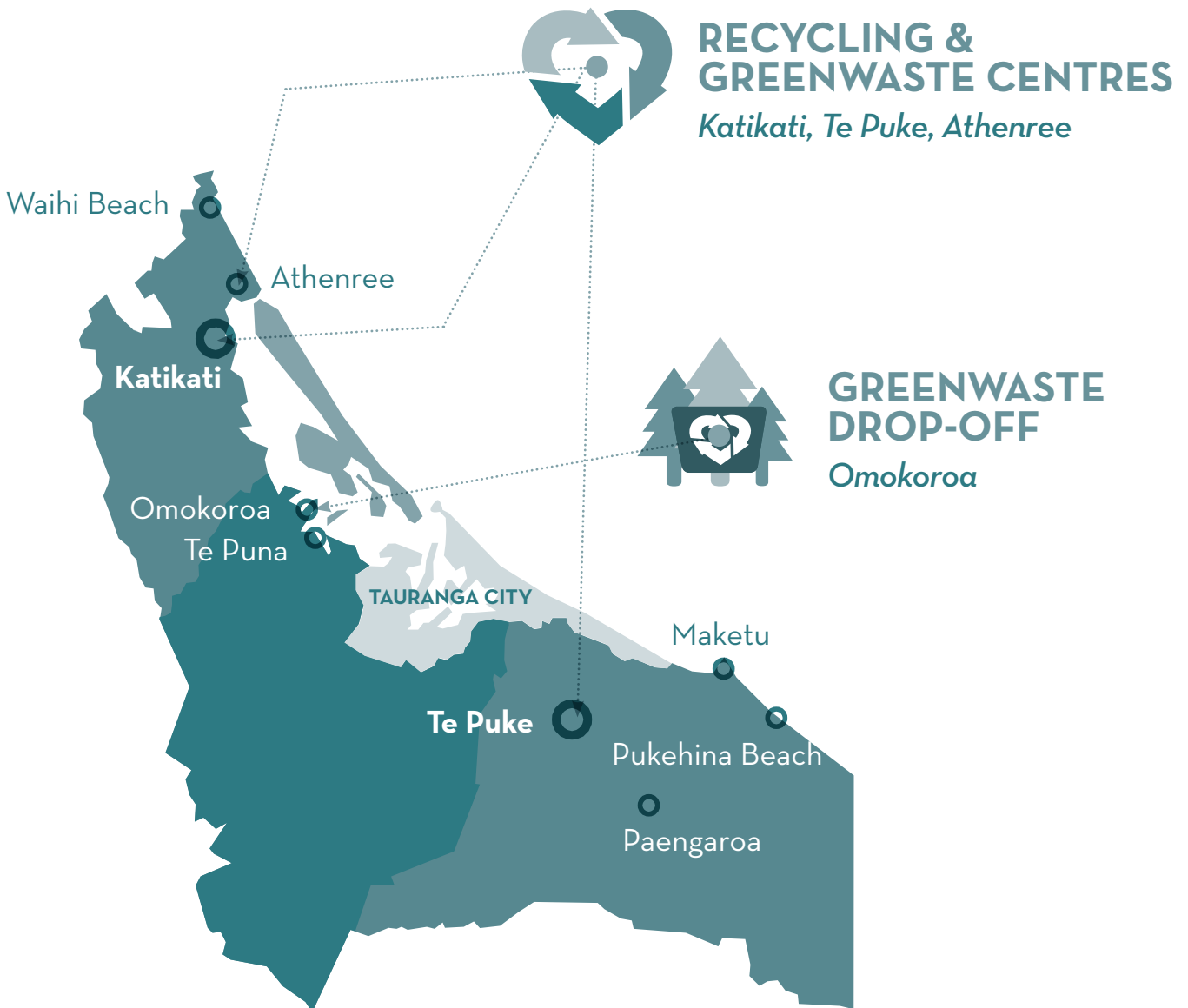
Other initiatives undertaken include:

- A rural waste survey to find out how rural properties and farms dispose of their waste
- Supporting the national 'Love Food, Hate Waste' initiative which commenced in June 2016. This is a three year initiative to reduce the amount of household food waste
- Provision of recycling facilities at key events held in the district. This includes the Summer Fair in Waihi Beach, the Wine and Avocado Festival in Katikati and the Kaimoana Festival in Maketu.

Our sponsorship and/or support for waste minimisation programmes extend to:

- The Enviro challenge for Bay of Plenty secondary schools
- 'Waste free Parenting' workshops by the Nappy Lady
- Paper 4 Trees and Zero Waste Education for pre-school to secondary schools
- Para Kore - implementation of recycling systems on marae in the District
- Business waste minimisation which is a free programme to businesses in how to reduce waste and increase recycling through Waste Watchers.

WHAT WE PROVIDE



RECYCLING & GREENWASTE CENTRES

Katikati, Te Puke, Athenree

GREENWASTE DROP-OFF

Omokoroa



EDUCATION PROGRAMMES

ONGOING MONITORING OF
**CLOSED & CAPPED
LANDFILLS**

Athenree, Te Puke, Waihi Beach

MONITOR
**ILLEGAL DUMPING
(FLY-DUMPING)**

across our District

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

SOLID WASTE - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	
	TARGET	RESULT	RESULT		
Key Performance Measure Percentage of actions, identified in the Solid Waste Action Plan for the year that have been completed. This identifies the total annual actions required for this strategy. Actions are required within specification and budget.	97%	100%	100%		😊
Key Resident Measure Percentage level of customer satisfaction with household rubbish disposal methods. As measured through our Annual Residents' Survey, those customers who are 'very satisfied' and 'satisfied'.	78%	80%	79%	The target and result were calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 59%.	😊
Supporting Measures Percentage of waste recycled or recovered as estimated and reported by licensed operators (excludes waste disposed of privately). We include estimates because we do not have weighbridges.	36%	NOT REPORTED	25%	Due to the delay in the review of the Waste Management & Minimisation Plan (WMMP) the relicensing of trade waste operators has also been delayed. The review of the plan will be finalised early 2017 and then relicensing of waste operators will occur.	
Number of initiatives funded by the Ministry for the Environment Waste Minimisation Scheme.	1	1	1		😊

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
All Council-owned solid waste facilities, including closed landfills, meet environmental standards					
Number of abatement/infringement notices received.	0	0	0		😊
Provide and maintain drop-off recycling services					
Number of greenwaste and/or recycling facilities provided.	4	4	4		😊
Assist in the provision of opportunities for the removal of hazardous waste					
Number of hazardous waste drop off points.	3	3	0		😊

FUTURE INITIATIVES

We intend to complete our Waste Management & Minimisation Plan (WMMP). This will involve a significant level of consultation with our community and stakeholders, a review of our levels of service and identify how we deliver our service i.e. private (outsourced) or rates funded (in house). In conducting this review we are mindful that Tauranga City Council is undertaking the same review and their outcome may impact on us.

Our participation in the national campaign 'Love Food, Hate Waste' will continue for the next two years.

COST OF SERVICE STATEMENT

SOLID WASTE

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
District solid waste	349	682	289
Western solid waste	479	465	352
Eastern solid waste	348	461	370
Omokoroa greenwaste	129	155	140
Total operating expenditure	1,305	1,763	1,151
Analysis of expenditure by class			
Direct costs	789	1,216	576
Overhead costs	463	490	445
Interest	22	30	19
Asset revaluation	-	-	83
Depreciation	31	28	28
Total operating expenditure	1,305	1,763	1,151
Revenue			
Targeted rates	1,069	1,055	1,023
User fees	93	67	52
Subsidies	168	65	151
Asset revaluation	-	-	82
Other income	119	10	52
Total revenue	1,449	1,197	1,360
Net cost of service - surplus/(deficit)	144	(566)	209
Capital expenditure	118	-	-
Total other funding required	26	(566)	209
Other funding provided by			
Environmental protection rate	271	617	289
Debt increase / (decrease)	-	-	-
Reserves and future surpluses	(297)	(51)	(498)
Total other funding	(26)	566	(209)

MAJOR VARIANCES

Direct costs were \$427k lower than budget and includes savings on maintenance cost of \$249k, waste eradication program \$36k and consultants \$29k.

Reduction in the Environmental Protection rate funding reflecting reduced operating expenses of \$458k.

ECONOMIC



ECONOMIC

OVERVIEW

Economic development focuses on promoting the standard of living and economic health of a specific area. This strategy focuses on Councils role in supporting economic development, tourism, promotions, events and town centre development.

At a more strategic level Council is also a funder of Priority One, the Western Bay of Plenty subregion economic development agency who is focused on attracting businesses to the subregion and has been instrumental in progressing the development of a university campus in the central business district of Tauranga. Tourism Bay of Plenty, to which Council provides funding, has been instrumental in increasing the number of tourists to the District.

WHY WE PROVIDE IT

OUR COMMUNITY OUTCOME

To encourage the sustainable use of local resources in a way which strengthens economic opportunities and improves social outcomes.

OUR GOALS

- Foster partnerships between organisations, including local and central government and businesses to support economic, social, cultural and environmental development
- Council services are committed to being business friendly to encourage and enable businesses to flourish and contribute to building vibrant communities
- Enable an environment where community groups and business can collaborate and work together on shared outcomes for communities.

2015/2016 HIGHLIGHTS

The Government is seeking to expand access to broadband to 75% of all New Zealanders. In March 2015 they announced three funding initiatives available - Ultra-Fast Broadband, Rural Broadband and a Mobile Black Spot Fund. We lodged a Registration of Interest for these three initiatives. As part of this we identified gaps in supply throughout the District and surveyed residents on various connection issues. The next phase was the creation of a Digital Enablement Plan to leverage this broadband infrastructure. This plan contains proposed actions to address issues identified as part of our community engagement process and aims to help the sub-region reach its full potential using digital technology to improve business productivity and people's lives. In conjunction with Tauranga City Council we submitted a sub-regional plan to the Ministry of Business Innovation and Employment in September 2015.

We also approved funding in next year's annual plan and budget for projects that will assist business, industry and community groups with improved access to and utilisation of digital technology.

The Service Delivery Contracts (SDC) enable specific organisations to focus on economic development in our respective communities, the District and the sub-region on our behalf. Katch Katikati, Te Puke EDG and Waihi Beach Events and Promotions all work within their communities to promote economic development and facilitate events and promotions.

In Te Puke a 'M' pilot, was run for six months by Shop Te Puke. The purpose was to deliver events and promotions in alternative ways. Due to its success this is now a permanent initiative.

In Katikati the refurbishment and earthquake strengthening of the old first station was completed. This enabled the building to house the very successful Unexpected Heroes exhibition from April - June 2016.

For the Waihi Beach Town Centre we are still looking to progress sale of land and construction of a footbridge across Two Mile Creek. This work is on hold, subject to the flood control works on Two Mile Creek being completed.

WHAT WE PROVIDE



TOWN CENTRE PROMOTION

Te Puke, Katikati Waihi Beach

SUPPORT FOR
EXTERNAL
ORGANISATIONS

FOCUSED ON STRENGTHENING

our local economics

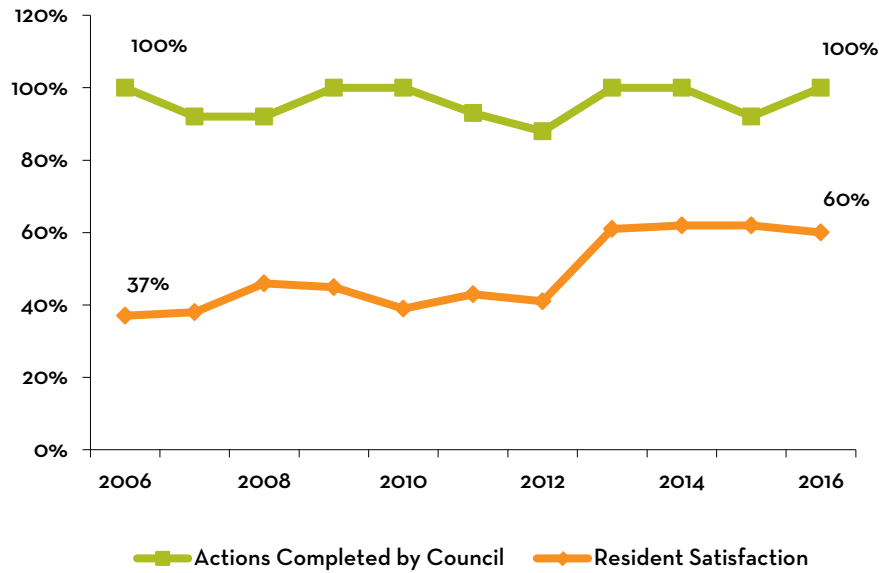
SUPPORTING

ECONOMIC DEVELOPMENT & TOURISM

SERVICE PERFORMANCE RESULTS

RESULT TRENDS FOR KEY MEASURES

SUPPORTING THE ECONOMY - TRENDS



HOW WE HAVE TRACKED PROGRESS TOWARDS OUR GOALS

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Key Performance Measure Percentage completion of the annual work programme as identified in our Economic Strategy and Action Plan.	≥90%	100%	92%		😊
Key Resident Measure Level of resident satisfaction with our role in promoting employment, tourism and business opportunities within the sub-region. Monitored by the Annual Residents' Survey, those residents that are 'satisfied' and 'very satisfied'.	≥60%	60%	62%	The target and result were calculated excluding those surveyed who 'don't know'. The survey result including those that don't know is 45%.	😊

HOW WE HAVE TRACKED PROGRESS - LEVELS OF SERVICE

PERFORMANCE MEASURES	2015/16		2014/15	NARRATIVE	ACHIEVED
	TARGET	RESULT	RESULT		
Council will support external organisations tasked with developing economic activity in the District					
Level of resident satisfaction with the promotion of town centres and events in Katikati, Te Puke and Waihi Beach. Monitored by the Annual Residents' Survey, those Residents that are 'satisfied' and 'very satisfied'.	≥65%	65%	68%		😊
Number of service delivery contracts related to economic development activity.	4	7	4		😊
Percentage of economic contracts where contract requirements have been achieved.	≥90%	90%	NEW		😊
Number of joint economic initiatives identified in the service delivery contracts that have been implemented.	2	4	NEW		😊
Council will facilitate economic development through the community development plans that have been developed for the District's urban growth node towns or communities					
Satisfaction of businesses with Councils role in economic development (two yearly survey).	≥60%	69%	NEW		😊
Number of economic action plans derived from our Community Development Plans.	6	8	7		😊

FUTURE INITIATIVES

We are awaiting a response from Ministry of Business Innovation and Employment (MBIE) to our Digital Enablement Plan. In the meantime we will continue to progress this initiative.

The new service delivery arrangement in Te Puke will take effect in the 2016/17 financial year. This will enable one agency to focus on economic development while the other agency focuses on events and promotions.

We will continue to collaborate with TCC in the economic development of the sub-region. This includes the development of a Sub-Regional Art and Culture Strategy which is an overarching plan for the sub-region. Arts and culture are seen as drivers of economic development, promoting social good as well as promoting the identity of the sub-region. This process will be led by Creative Tauranga through our existing service delivery contract.

COST OF SERVICE STATEMENT

ECONOMIC

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Economic support	383	424	487
Visitor information	63	58	60
Town centre promotion	372	163	234
*Waihi Land Drainage Society	-	-	290
Total operating expenditure	818	645	1,071
Analysis of expenditure by class			
Direct costs	802	603	996
Overhead costs	101	124	147
Interest	(85)	(83)	(72)
Depreciation	-	-	-
Total operating expenditure	818	645	1,071
Revenue			
Targeted rates	259	276	581
Interest	-	-	-
Other income	46	2	40
Total revenue	305	278	621
Net cost of service - surplus/(deficit)	(513)	(367)	(450)
Capital expenditure	(266)	1,151	151
Total other funding required	(247)	(1,518)	(601)
Other funding provided by			
General rate	675	715	801
Interest in associates	(25)	-	(69)
Reserves and future surpluses	(403)	802	(131)
Total other funding	247	1,518	601

*Waihi Land Drainage Society has been moved to Natural Environment.

MAJOR VARIANCES

Direct costs were \$218k higher than budget with \$216k of operational expenditure on the Katikati town centre development brought forward from future years.

Capital expenditure on the Katikati town centre development was \$1.42m underspent, work now being scheduled for 2016/17.

SUPPORT SERVICES



SUPPORT SERVICES

OVERVIEW

A number of internal corporate services support the delivery of services and activities to the community. Our Long Term Plan contains strategies that determine the activities Council provides to serve our community, for example water supply and transportation. Our Corporate Plan contains strategies for our support services. Corporate support activities have a crucial part to play in enabling staff to produce their best work and deliver the highest standards of service to customers. The key strategic approach for each of the corporate support activities is broadly described below:

CORPORATE SUPPORT ACTIVITY	WHAT THIS ACTIVITY DOES	STRATEGIC APPROACH
Customer services	Ensure customers receive timely, accurate and user friendly information, service and advice.	Focus on understanding the diversity of customers, and their needs and respond to them more effectively.
Communications	Ensure customers and communities are kept informed.	Provide communications that are targeted to identified customer needs.
Relationship management	Maintain effective relationships with residents and key communities of interest.	The purpose of the relationships is clearly understood, diversity is recognised and our obligations to Māori under the Treaty of Waitangi are fulfilled.
Human resources	Manage workforce capability and capacity.	Future workforce needs are understood so that staffing levels, skills and competencies are retained to deliver the agreed services to the community.
Information management	Ensure data is accessible, clear and secure.	Information is managed to ensure it is easily accessible and the integrity of the data is maintained
Information technology	Ensure information systems are integrated, secure and responsive to business needs.	Smart use of technology to achieve agreed strategic initiatives and optimise the customer experience.
Financial management	Provide comprehensive financial planning and monitoring services.	Timely, accessible and reliable information is available to inform decision-making, both for staff and elected members.
Corporate assets	Sustainably manage Council's corporate buildings, equipment, vehicles and land.	Assets, planning and property staff work together to enable the sustainable development of infrastructure.
Procurement	Ensure services purchased provide the best value for money, are sustainable and environmentally responsible.	Sustainable purchasing practices that demonstrate value for money and are environmentally responsible.
Risk management	Identify, minimise or mitigate risks.	Integrated risk management information to inform decision making and ensure continuity of Council services.
Quality management	Document and review key processes to ensure knowledge is maintained and opportunities for improvement identified.	Documentation of key processes secures knowledge and facilitates opportunities for improvement.

2015/16 HIGHLIGHTS

Council is a shareholder of the New Zealand Local Government Funding Agency Limited (LGFA). This entity was created to provide more cost effective financing specifically to local authorities, and Western Bay estimates that the on-going and enduring impact of the LGFA has saved \$400,000 - \$500,000 per annum in interest costs that would not have been made had the LGFA not been established.

Council has continued to work on the digitisation of its property files and key records.

FUTURE INITIATIVES

Council will continue to participate in the BOPLASS initiatives.

COST OF SERVICE STATEMENT

SUPPORT SERVICES

	ACTUAL	BUDGET	ACTUAL
	\$'000	\$'000	\$'000
	2016	2016	2015
Analysis of expenditure by activity			
Support services	912	1,420	1,948
Corporate assets	2,006	1,447	2,715
Treasury	6,953	1,359	7,795
Total operating expenditure	9,871	4,226	12,458
Analysis of expenditure by class			
Direct costs*	13,651	13,450	14,353
Overhead recoveries	(11,095)	(10,885)	(10,562)
Interest**	6,020	680	6,904
Depreciation	1,295	982	1,102
Asset revaluation	-	-	661
Total operating expenditure	9,871	4,226	12,458
Revenue			
Targeted rates	153	(229)	496
General rate	3,717	2,062	3,595
User fees	13	14	16
Vested assets	-	-	253
Interest**	1,087	1,100	1,068
Asset revaluation	-	-	1,920
Other income including General Rates	1,337	892	1,196
Total revenue	6,307	3,838	8,544
Net cost of service - surplus/(deficit)	(3,564)	(388)	(3,914)
Capital expenditure	2,541	1,376	1,795
Vested assets	-	-	253
Total other funding required	(6,105)	(1,764)	(5,962)
Other funding provided by			
Debt increase / (decrease)	(2,993)	(75)	(232)
Proceeds from sale of assets	89	85	254
Reserves and future surpluses	9,009	1,754	5,940
Total other funding	6,105	1,764	5,962

*Net direct cost of support services after overhead recoveries

** Net interest income/expense after internal interest recoveries

MAJOR VARIANCES

Interest expense of \$6.02m was \$5.35m higher than budget. This includes \$4.85m of unrealised hedging movement which is a non-cash accounting cost and when removed interest expense was \$1.17m.

Depreciation was \$313k higher than budget and includes an additional \$237k computer software amortisation not budgeted.

Capital expenditure was \$1.16m higher than budget and includes strategic and corporate property purchases not budgeted.

General Rate of \$3.72m includes unallocated rates transferred to the General Rate reserve.

There were no revaluations in 2016. Revaluations are carried out every three years, the last revaluation being 2015, the next revaluation is scheduled for 2018.