

# SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT SUMMARY

2016/17



South Taranaki  
Alive with opportunity

A person is sitting on a dark, volcanic sand beach. They are wearing a bright green woven hat and a brown top. A colorful striped blanket is spread out on the sand in front of them. The ocean is visible in the background under a clear blue sky.

# MISSION STATEMENT

*The South Taranaki District Council will lead with fairness and integrity, and work to inspire a vibrant and caring spirit of community, while remaining an efficient and sensitive provider of services and facilities.*



## INTRODUCTION

Welcome to the South Taranaki District Council's 2016/17 Annual Report Summary. The purpose of this Summary is to provide an overview of the Council's activities over the last financial year (1 July 2016 to 30 June 2017) and to identify any major differences to what the Council set out to do in its 2016/17 Annual Plan. The Annual Report Summary shows how well the District's assets are being looked after and how well the Council is performing as an organisation. The information included in this Summary has been taken from the audited Annual Report (which received an unmodified Audit Opinion) which was adopted by the Council on 16 October 2017. The Annual Report Summary does not provide as complete an understanding as the full Annual Report.

For more detailed information covering all of the Council's activities please refer to the full Annual Report. Copies of the full Annual Report are available on request (phone 0800 111 323) for a copy to be sent out to you or you can view it on the Council website [www.southtaranaki.com](http://www.southtaranaki.com)

## WHERE DOES THE ANNUAL REPORT FIT IN?

Every council in New Zealand is required to prepare a Long Term Plan (with a ten year timeframe), as well as an Annual Plan and an Annual Report. These three documents form the essential guide to what Council does in any given year. The Long Term Plan and the Annual Plan set out what the Council plans to do, while the Annual Report states what the Council has actually done. The 2016/17 Annual Report reflects progress made in Year 2 of our 2015-2025 Long Term Plan.

# WELCOME TO THE SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT FOR 2016/17.

In this document we look back on the last financial year and report on how we performed against the objectives and direction we set in Year 2 of our 2015-2025 Long Term Plan.

Our Long Term Plan set four key priorities; maintaining our current assets and core services, retaining and growing our population, preparing for the government's earthquake prone buildings legislation and keeping rates affordable.

The 12 months to the end of June 2017 have seen some key projects make significant progress or be completed.

The first project of the Hawera Town Centre Strategy, Campbell Lane, was completed and the new access lane (second project) was started. Both of these laneway projects will provide improved connectivity between the free public car parks and the CBD shopping precinct. The Council also purchased the property where the new Centre for Heritage, Arts, Library, Culture and Information (CHALCI) will be built.

Work was completed on Stage 1 of the Denby Road to Waihi Beach Walkway and just over 1 km of new footpath was built in Manaia. These projects are part of the Council's Pathways Programme, the aim of which is to develop a network of walkways and cycleways to be enjoyed by families and recreational users across the District.

The first stage in the development of the new regional landfill just south of Eltham was started with major road improvements on SH3 at the intersection with Rotokare Road. Once completed this work will improve visibility and provide safe intersection access for road users.

Seismic strengthening work on the Hawera Community Centre Hall was completed which means the whole complex has now been brought up to 67% of the New Building Standard.

The Taumata Recreation Centre in Eltham's Taumata Park was completed and opened in May 2017. This project was co-funded by the Council, TSB Community Trust, Lion Foundation and NZCT, with contributions from the two main user groups the Eltham Football Club and Eltham Athletics Club.

The Council has also made significant progress developing our new District Plan. The District Plan is one of our key documents which controls the way land is used, developed, protected and subdivided in South Taranaki. We received nine appeals to the Plan and expect to have these resolved early next year.

A Boil Water Notice was issued in Waverley on 27 May as a precautionary measure after a positive E-coli sample was received. As a result the Council has increased testing of the supply and reviewed processes to minimise the likelihood of such an

MESS  
FROM  
MAY  
AND C  
EXEC



**ROSS DUNLOP**  
*Mayor of South Taranaki*

# SAGE M THE YOR CHIEF UTIVE



**CRAIG STEVENSON**  
*Chief Executive of  
South Taranaki District Council*

**“THE COUNCIL’S LONG TERM INVESTMENT FUND (LTIF) RETURNED \$11.92M WHICH WAS \$2.8M MORE THAN BUDGETED...THE COUNCIL IS IN A SOUND FINANCIAL POSITION AND HAS A CLEAR DIRECTION FOR OUR DISTRICT.”**

event occurring again.

Going forward the Council is investigating chlorination for the Patea and Waverley water supplies, both of which are bore water supplies. A wet autumn/winter caused widespread slips on roads across the District, particularly in the Waitotara Valley, Tangahoe Valley, Rawhitiroa, Aorere, Morea Valley, Glen Nui and Wingrove Roads. All roads were cleared and reopened at a cost of around \$200,000.

In early April 2017 the Council was independently assessed on our performance as part of the Local Government Excellence Programme. Our Council is one of 20 foundation Councils that participated in this sector-wide performance improvement programme. We look forward to receiving our report, which will be made public, in October 2017.

Global Ratings Agency Standard and Poors (S&P) upgraded Council’s long term credit rating from A+ to AA- and short term rating from A-1 to A-1+ with Stable outlook. The higher credit rating will result in savings for ratepayers of \$60,000 annually on future debt servicing.

Financially the Council finished the year with a \$11.98 million surplus, against a budgeted surplus of \$3.76 million.

The Council’s Long Term Investment Fund (LTIF) returned \$11.92 million which was \$2.8 million more than budgeted. After allowing for the annual drawdown/rates subsidy, at year end the Fund balance totalled \$137.43 million (including \$12.36 million of internal borrowings), from \$131.65 million in 2015/16. Total debt also decreased from \$133.04 million to \$123.75 million.

The Council is in a sound financial position and has a clear direction for our District. It is our privilege to present our Council’s 2016/17 Annual Report.

Other notable achievements during the year included:

- \$2.55 million worth of road pavement rehabilitation work was completed.
- 38% of the District's street lights have now been converted to new LED lights. The energy savings to date equate to approximately \$26,000.
- A new clarifier was installed at the Inaha Water Treatment Plant as part of a \$1 million upgrade to meet the Drinking Water Standards.
- Stage 1 of the \$529,000 Nolantown water mains replacement was completed.
- The \$335,000 Eltham Water Treatment Plant refurbishment was completed in December 2016.
- The \$847,000 Manaia Road to Palmer Road water mains replacement was completed. This pipe links the Kapuni Scheme to Waimate West along Skeet Road.
- Work was completed to provide additional parking for self-contained campers and wastewater system improvements at Lake Rotokare Scenic Reserve.
- Opunake's Middleton Bay steps project was completed with new concrete steps, a hand rail, a retaining wall, a chip sealed access track and stormwater improvements.
- 3D printers have been installed in each of the District's seven LibraryPlus centres.
- The Hawera Aquatic Centre had 94,331 visitors, the third busiest year since its upgrade was completed in July 2009.
- 38 individuals and businesses were nominated for the 2016 Youth to Work Awards. The Awards (a Mayors' Task Force for Jobs project), celebrate young people who are achieving in their workplace or training environment, as well as the businesses, education and training providers who support them.





# YOUR COUNCIL

The South Taranaki District Council is made up of the District Mayor and 12 Councillors. The Mayor is elected at large over the District with the Councillors elected from Wards. There are four Community Boards, Hawera, Egmont Plains, Eltham and Patea and 16 Community Board members. These positions are all subject to election every three years.

The Council's purpose is to enable democratic local decision-making and action by and on behalf of communities; and to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost effective for households and businesses.

The Council groups its activities and services within the Annual Report under the following headings:

- Democratic Process (involves all the support services which help the Council function)
- Cultural Services (libraries, cemeteries, heritage, arts and culture)
- Recreation and Leisure (halls, pools, parks and reserves, public toilets, TSB Hub, holiday parks)
- District Economy (tourism, events, i-SITE, economic development)
- Community and Social Development (community development, pensioner housing, regional road safety)
- Environment and Development (animal control; environmental policy; licensing of premises eg food and liquor; rural fire; resource consents and building consents)
- Water Supply Services
- Roding and Footpaths
- Stormwater
- Wastewater
- Solid Waste
- Coastal Structures

## COUNCIL FOCUSED ON PERFORMANCE

The performance measures within the Annual Report were adopted by the Council as part of the 2015-25 Long Term Plan. We get performance information from a wide variety of sources: Council systems such as the customer requests management system, the finance system, databases for quality tests; satisfaction surveys; and reports from external organisations (for example the Taranaki Regional Council and the District Health Board).

The Council also commissions an independent resident satisfaction survey every year to find out what South Taranaki residents think of our District and the Council's services and facilities. The Survey was conducted by Research First using a sample of 402 residents 18 years + and representative of the population in terms of ward and gender. A number of the performance measure results summarised in this Summary are based on the results of this satisfaction survey. For a detailed list of all the Council's performance measures please refer to the full Annual Report.

## DEMOCRATIC PROCESS

Measure/Target	Achieved/Not Achieved
69% or more of residents who agree decisions made by Council represent the best interests of the District.	<b>Achieved</b> 74% agreed that decisions made by the Council represent the best interests of the District with 9% replying 'don't know'.
60% or more of residents who are satisfied/neutral with their opportunity to participate in Council decision-making processes.	<b>Achieved</b> 80% of residents are satisfied or neutral with their opportunity to participate in Council decision-making processes.

## CULTURAL SERVICES

### THE WONDER GARDENS

Was a new exhibition at Aotea Utanganui Museum of South Taranaki celebrating South Taranaki's parks. The exhibition displayed how generations of South Taranaki pleasure seekers have enjoyed the public spaces that form a background to our lives. This exhibition was generously funded by the Taranaki Regional Council.

### 3D PRINTING AT LIBRARYPLUS

3D printing arrived with each LibraryPlus site now having a 3D printer. Funded by a generous grant from the TSB Community Trust, the printers allow South Taranaki residents to experience this technology as early adopters and participate in the global *making and collaborating* culture.

### FREE COMIC BOOK DAY

South Taranaki Libraries participated in the International event, Free Comic Book Day, for the second time. More than 400 customers poured through the doors at Hawera LibraryPlus for the two-hour event. South Taranaki is the only LibraryPlus participating in the event between Wellington and Hamilton, so this year people came from as far afield as South Waikato.

### CHALCI

In December 2016, the Council purchased the preferred property for the location of the future Centre for Heritage, Arts, Library, Culture and Information (CHALCI). The property is located on the eastern corner of Regent and High Streets in Hawera. Wellington based architects Warren and Mahoney successfully bid for the contract to design the new facility. The 2017/2018 financial year will be largely taken up with design work, community consultation and consenting with demolition and then construction occurring in the following year.

Measure/Target	Achieved/Not Achieved
95% or more of customers satisfied with LibraryPlus facilities and customer service.	<b>Achieved</b> 97% satisfaction.
Number of visits to LibraryPlus facilities are greater than 280,000 and online greater than 60,000.	<b>Achieved</b> Total visitors to facilities was 280,494 and 135,378 online visits this year.
90% or more of customers satisfied with the tidiness and level of maintenance at Cemeteries.	<b>Achieved</b> 97% satisfaction.



# YE REV



## DISTRICT ECONOMY

### HAWERA TOWN CENTRE DEVELOPMENT

The official opening of the new Campbell Lane walkway was celebrated in April 2017. This was the first major construction project for the Hawera Town Centre Development since the adoption of the Hawera Town Centre Strategy in December 2015. This project fitted well with one of the key objectives of the Town Centre Strategy, which was to provide better connectivity between the free unrestricted car parking areas and the shopping precinct. Property purchase and design work for the second of the lane projects occurred late in the financial year and physical construction work is due to be completed in 2017/2018.

### NEW TOWN ENTRANCE SIGNS FOR WAVERLEY

A photograph of the Waverley Clock Tower by local photographer Sindy Hooper was chosen by the community for the new town entrance signs. Local residents were asked to vote for their preferred image from five on display in the Waverley LibraryPlus during November 2016.

### HARBIN DELEGATION

A delegation from South Taranaki's Sister City Harbin, Northern China, visited the District in April. The two visitors from the Harbin Foreign Affairs Office were Vice Division Chief of American and Oceania Affairs, Cathy Kai and from European Affairs, Nancy Kong. The visitors met with Elected Members and Council officers. They reviewed the Hawera Town Centre developments, visited Tawhiti Museum, and discussed how the Sister City relationship can be developed further. They were very interested in animal husbandry, school and cultural exchanges.

### CONNECT 17

Helping teachers to know what today's workplace looks like was the aim of the Mayor's Task Force for Jobs Connect 17 event held in Hawera in June 2017. A total of 92 educators, 34 businesses and approximately 20 other guests from industry training and education providers attended with event speakers in the morning giving an insight into what's required from students to get into work. In the afternoon the teachers visited some of the 34 South Taranaki businesses talking to groups about apprenticeships, training opportunities, what their industry looks like in 2017 and the scope for work for the right applicant.

### 2016 YOUTH TO WORK AWARDS

38 individuals and businesses were nominated for the 2016 Youth to Work Awards, which celebrate young people who are achieving in their workplace or training environment, as well as the businesses, education and training providers who support them.

### SOUTH TARANAKI I-SITE VISITOR CENTRE

The i-SITE had a very busy year with an 8.5% increase in international visitors. October 2016 saw Lonely Planet name Taranaki the second best region in the world to visit for 2017. An immediate impact was seen after the announcement, along with visitors altering their travel plans due to the Kaikoura earthquake.

### ARTS IN THE PARK

Was held in December with 102 stallholders available on the day. This popular event is a huge hit with the public, whether they come to do a spot of shopping, be entertained or enjoy the many tasty food stalls on offer. In the arts tent The Rangiwahia Environmental Arts Centre helped children's creativity come alive by making giant flowers out of willow and paper.

## DISTRICT ECONOMY

### MOVIES IN THE PARK

Was held at Soldiers Park in Eltham in January. The Park has a playground, skate park and swimming pool so with the addition of the TSB Bank 'Superscreen' this made for a great free family day out (approximately 400 people attended). There were four movies played throughout the afternoon and evening, which saw plenty of families coming and going. This event was supported by the Taranaki Electricity Trust.

Measure/Target	Achieved/Not Achieved
475 or more client interactions with the Business Advisory Service.	<b>Achieved</b> There have been 581 client interactions with South Taranaki businesses this year.
90% or more of business satisfied with service they receive from the Business Advisory Service.	<b>Achieved</b> 93.7% (Venture Taranaki annual satisfaction survey).
At least 2 painting incentives granted.	<b>Achieved</b> 3 painting incentives were granted.
At least 6 events provided or supported by Council per annum.	<b>Achieved</b> 13 events were provided or supported.

## RECREATION AND LEISURE

### TSB HUB

TSB Hub had a strong year with 138,763 visitors in total. The majority of these were made up from seasonal sports activities but also included a number of weddings, conferences, meetings and functions. Throughout the year, we hosted a number of large events including the Taranaki Dairy Industry Awards, Taranaki vs Hawkes Bay ITM Cup pre-season game and Tatarakihi Cultural Festival to name a few.

### TAUMATA RECREATION CENTRE

The Taumata Recreation Centre in Eltham's Taumata Park was officially opened by the Deputy Mayor in May 2017. The completion of this community facility was the culmination of a project largely brought about by the relocation of the Eltham Football Club to Taumata Park in 2014. The project was co-funded by the Council, TSB Community Trust, Lion Foundation, NZCT and contributions from the Eltham Football Club and Eltham Athletics Club. Although the two sports codes have preferential use of the facility during their respective seasons, the Recreation Centre is available for hire and has already been used by other community groups and individuals.

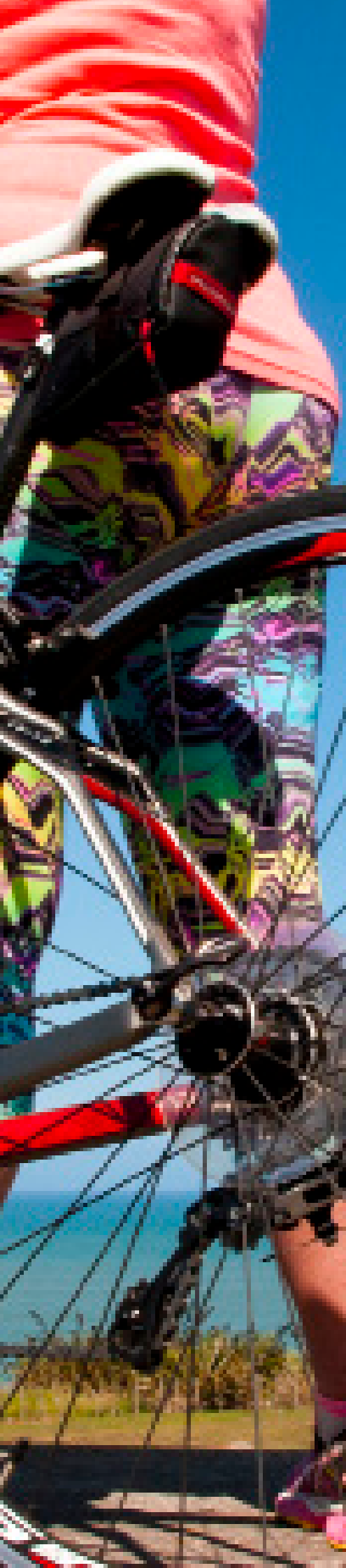
### DAFFODIL PLANTING PROGRAMME

The Council began a district-wide daffodil planting programme in 2008 and this year local community groups were given an additional 2,000 bulbs. The bulbs created colourful displays at Manaia Skatepark, Sandfords Event Centre in Opunake and Eltham Primary School grounds with the pupils helping to plant 1,000 bulbs at their school.

### OPUNAKE COASTAL WALKWAY

During the year, the footpath approaches to 'Dudley Bridge', which is part of the Opunake Coastal Walkway, were completed. The bridge is located on a popular section of the walkway between the community cliff-top gardens and the headlands lookout. Having a new concrete footpath has made that section of the walkway much safer for getting onto and off the bridge.





## RECREATION AND LEISURE

### DISTRICT PATHWAYS

Work was completed on stage 1 of the Denby Road to Waihi Beach Walkway (officially opened by the Mayor on Sunday 30 October 2016) and just over 1 km of new footpath was built in Manaia on Karaka, Kaipu and Patu-Kukupu Streets which provides improved pedestrian access to Manaia Primary School and Kindergarten and creates a complete pathway loop around the township. We also received approval in principle from KiwiRail to design and build a pathway in the rail corridor from Hawera to Normanby, for which we have received two separate funding grants. In the next financial year 2017/18 Council will complete Stage 2 of the Denby Road pathway – a cross country link from Denby to Fairfield Roads.

### SUPER RUGBY GAME HURRICANES VS. CRUSADERS

Was held on 17 February at Dallison Park in Waverley and hosted by Border Rugby Club in conjunction with the Council. The Hurricanes vs. Crusaders pre-season rugby game was a huge success with a crowd of over 4,000 people enjoying the Farmlands Grassroots Game Day. The coaches and players made comments on how great the field was, with our contractors, Fulton Hogan going above and beyond to ensure the field was perfect.

### HAWERA AQUATIC CENTRE

The Aquatic Centre had a good year overall hosting 94,331 visits, the third best attendance since the 2008/2009 upgrade. Aqua School enrolments (1,656) and attendance (11,008) were second best recorded with the Schools Swim and Survive numbers also growing from Term 1 2017 due to funding support from the TSB Community Trust. A new ultra violet irradiation plant was installed into the 25 metre/learners pool water system, which has improved water quality and reduced wastage of water, energy and chemicals.

### HAWERA MEMORIAL HALL DEISMIC STRENGTHENING DETAILED DESIGN

The contract for the detailed design phase was awarded in 2016 to BTW Limited for the sum of \$17,000. The work included a detailed engineering design of the seismic strengthening required to upgrade the building structure to 67% New Building Standard (NBS) Seismic Grade B. The physical works were successfully completed during the 2016/17 year and the Hall reopened in July 2017.

### MIDDLETON BAY STEPS

The steps from Halse Place to Middleton Bay had been in disrepair and were closed to the public. The project to replace them was completed with a solid new set of concrete steps, hand rail, retaining wall, chip sealed access track and various storm water improvements.

### TURUTURU MOKAI

A detailed report was completed by specialist consultants ERM Limited who undertook the Detailed Scientific Investigation (DSI). This report was shared with Ngati Tupaea representatives and the Council so we can work together on the most appropriate form of remediation for the historic site, which remains to be done.

### LAKE ROTOKARE RESERVE FREEDOM CAMPING IMPROVEMENTS

Work was completed to provide additional parking for self-contained campers and to improve the wastewater system to the toilet block at Lake Rotokare Reserve. Pictured is the newly constructed self-draining layby and parking area for larger camper vans. The Council was successful in applying for and receiving a grant from the Ministry for Business Innovation and Employment mid-sized regional tourism facilities fund of \$109,000.

## RECREATION AND LEISURE

### SOUTH TARANAKI DOG SPLASH DAY

On 13 March we held our first ever South Taranaki Dog Splash Day at Kaponga Swimming Pool. Following a suggestion from a member of the public, the swimming pool was open on the last day of the season exclusively for dogs. This was a free event with all three pools open so all sizes of dogs and swimming abilities could be catered for. Owners could swim with their dogs and a ramp was placed in the main pool so dogs could exit easily. Council Animal Control staff were also on hand to answer any dog related questions and check all dogs were wearing current registration tags.

Measure/Target	Achieved/Not Achieved
90% or more satisfaction with level of maintenance in Council parks and properties.	<b>Achieved</b> 97% satisfaction.
90% or more satisfaction with maintenance and cleanliness of toilets.	<b>Not Achieved</b> 86% satisfaction.
90% or more satisfaction with maintenance and cleanliness of halls.	<b>Achieved</b> 91% satisfaction.
Number of TSB Hub users is more than 150,000 per annum.	<b>Not Achieved</b> 138,763 recorded attendance numbers.
Number of users of Hawera Aquatic Centre is more than 93,500 per annum.	<b>Achieved</b> Attendance for the year was 94,331.
Total number of users of rural pools is greater than 40,000.	<b>Not Achieved</b> Total attendance was 37,089.
80% of customers satisfied with Rural Pools being well maintained.	<b>Achieved</b> 91% of customers surveyed were satisfied.



## STORMWATER

Measure/Target	Achieved/Not Achieved
Fewer than 10 reported flooding incidents of occupied properties.	<b>Achieved</b> No flooding events of habitable properties were recorded.

## ENVIRONMENT AND DEVELOPMENT

### CONSENTS AND LICENSING NUMBERS

542 building consents, 153 resource consents, 248 renewed food premises registrations, 135 liquor licences and 101 Manager Certificates were processed during the year.

### DISTRICT PLAN REVIEW

During the year, the Council made significant progress with the District Plan Review. Decisions on the matters raised by submitters were released in December 2016 and nine appeals were received. Work on resolving those appeals began in this current year, but is not expected to end until next year. Once the appeals are resolved the Proposed District Plan 2015 will be able to be made operative.



## ENVIRONMENT AND DEVELOPMENT

### LARGE SCALE RESOURCE CONSENT APPLICATIONS

Tararua Wind Power Limited was granted a resource consent for a Wind Farm near the coast between Patea and Waverley. The proposed wind farm involves up to 48 turbines which would be 160 metres high to the tip of the blades. The project would generate 490 GWh of power annually and would be the first wind farm in Taranaki. The application was fully publicly notified and attracted 22 submissions. One appeal was received on the application, which will likely be resolved in the next financial year.

A second large-scale application for a Countdown Supermarket in Hawera was received from UT Developments Limited. This application was also fully publicly notified and attracted 29 submissions. By the end of the 2016/2017 financial year the hearing had been held but the Commissioner's decision had not been received (note: the consent was subsequently granted).

### BUILDING CONSENT AUTHORITY ACCREDITATION

In November 2016, the Council's Building Consent Authority (BCA) was audited by International Accreditation NZ for BCA Accreditation. The audit is carried out every two years to ensure that the BCA is working in accordance with the Building Act and regulations. Our Accreditation was retained for the next two years with no corrective actions, a great result for our Council's BCA.

### RURAL FIRE

The Council's involvement with rural firefighting ended on 1 July 2017 with the creation of Fire & Emergency NZ which has combined urban and rural fire fighting functions.

### MINISTRY FOR PRIMARY INDUSTRIES (MPI)

The Council gained approval from MPI to audit National Program food businesses (including child care centres and dairies). Having the Council approved or recognised to carry out these audits is likely to save those businesses \$2,000 - \$5,000 a year when compared to engaging the services of a private Auditor.

### ANIMAL CONTROL

A total of 1,651 animal control related complaints were received during the 2016/17 year and compares to previous years as follows:

Type of complaint received	2013/14	2014/15	2015/16	2016/17
Dog Attack	50	42	63	65
Rushing/Threatening	31	21	18	32
Roaming	689	587	540	563
Barking	256	268	204	506
Welfare	52	45	34	12
General Dgo Complaints	135	223	442	473
<b>Total</b>	<b>1,213</b>	<b>1,186</b>	<b>1,301</b>	<b>1,651</b>

The trend for reported incidents reflects improved recording into the Council's Customer Request Management system which then assists in the management of the response, (actions and response times). While the number of dog attacks has fluctuated over the previous four years, it has remained steady at 3-5% of all complaints received each year. The Council continues to be committed to re-uniting dogs with their owners and re-homing suitable dogs. 311 dogs were impounded with 171 dogs either returned to their owners or re-homed.

## ENVIRONMENT AND DEVELOPMENT

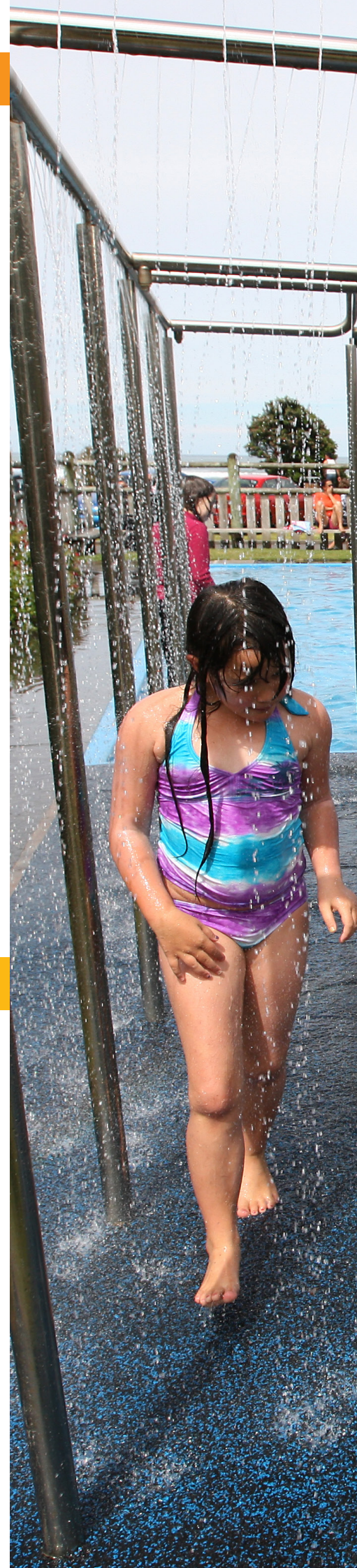
Measure/Target	Achieved/Not Achieved
That 100% of (liquor) licensed premises are inspected annually.	<b>Achieved</b> 100% - 86 premises were inspected.
That 100% of food licensed premises are inspected annually.	<b>Achieved</b> 100% - 201 food premises were inspected.
At least 90% of noise complaints are responded to within one hour.	<b>Not Achieved</b> 75% of noise complaint were responded to within one hour.
100% of all building consent applications are processed within 20 working days.	<b>Achieved</b> 100% - 542 building consents were issued within 20 working days.
95% or more of building inspections carried out within 2 working days of request.	<b>Achieved</b> 100% - 2,210 inspections were undertaken.
100% of resource consent applications are processed within statutory timeframes.	<b>Achieved</b> 100%.
85% or more of consents monitored by their due date.	<b>Not Achieved</b> 46%.
97% of reported serious dog or wandering stock incidents responded to within 4 hours.	<b>Achieved</b> 98% - 276 out of 283 incidents were responded to within 4 hours.
97% of reported general dog incidents responded to within 1 working day.	<b>Achieved</b> 98% - 1,595 of 1,635 incidents were responded to within 1 working day.

## WASTE WATER

### CCTV DETECTION SERVICES ON WASTEWATER NETWORK

The ongoing Closed Camera Television (CCTV) sewer inspection programme focused on catchments where there are significant pumping costs - Normanby, Eltham, Manaia, and parts of the Mason Road catchment in Hawera. The Eltham pipe defects were fixed with local repairs and other lengths of sewer had to be completely relined.

Measure/Target	Achieved/Not Achieved
Fewer than 1 customer complaint per year relating to odours from wastewater pump stations or treatment facilities (per 1,000 connections).	<b>Achieved</b> 0.38 complaints were received (per 1,000 connections).
No sewerage overflows into occupied buildings due to faults in the public wastewater system.	<b>Achieved</b>
80% of customers satisfied with the wastewater services.	<b>Not Achieved</b> 75% of customers surveyed were satisfied.



## COMMUNITY AND SOCIAL DEVELOPMENT

### SOUTH TARANAKI VOLUNTEERS THANK YOU

94 volunteers from across the District attended two screenings of the New Zealand movie 'The Catch' at Everybody's Theatre in June. This was the annual thank you for volunteers for the work they do in our communities. Held to coincide with National Volunteers Week, the Mayor and Deputy Mayor were on hand to personally thank the volunteers for the work they do across the District.

### ROADSAFE TARANAKI

Roadsafe Taranaki put 87 people through a free advanced driving course in New Plymouth, one of the many projects delivered during the year. Twelve participants were also given the opportunity to further improve their driving skills at a one day advanced driving course at Manfeild.

### PENSIONER HOUSING

Work on the interior refits of our Pensioner units continues with 44 refits completed at June 2017. We remain ahead of our target of bringing 90% of units up to a standard of 'good' or 'very good', with 40 (60%) units now meeting this standard, however progress is slowing as occupancy rates rise and the remaining 17 units can only be completed as they are vacated. The investment in upgrading the units is showing benefits with reduced maintenance costs and increased income reducing the overall cost of the service.

### CENTENNIAL CLOSE TENANT CONTRIBUTION UNITS

In July 2013, the Council approved a proposal to transition the Centennial Close tenant Contribution units to rental housing as they became vacant. The intention was to create a saleable rental asset while maintaining the 'retirement village' environment expected by the existing lessees. At 30 June 2017, six of the nine units have been tenanted. As a result these units are no longer a cost to Council and we are on track to achieving our goal.

Measure/Target	Achieved/Not Achieved
50% or more of the cost of community led projects (supported by Council) funded from external sources.	<b>Achieved</b> 65% of funding for Council supported, community led projects has been secured from external sources.
33.3% or more of the total cost of Council led projects (completed in partnership with the community) funded from external sources.	<b>Achieved</b> Overall average of 51.6% funding for Council led projects funded from external sources.
85% or more of pensioner housing tenants satisfied with the standard of maintenance of their accommodation.	<b>Achieved</b> 97% satisfaction from annual resident's survey.

## ROADING AND FOOTPATHS

### KERB AND CHANNEL WORK

Streets where kerb and channel were upgraded included High Street, Sutton Place, Caledonia Street and Furlong Street in Hawera for \$495,435.

### PAVEMENT REHABILITATION

\$2.55 million worth of pavement rehabilitation work was completed. This work was made up of: Package 1 - Inaha, Turuturu, Matangarara and Ararata Roads, and Package 2 - Rowan, Newall, Arawhata, Oeo and Jackson Roads.

# ROADING AND FOOTPATHS

## FLOOD DAMAGE WORK

Flood damage repair work from the June 2015 weather bomb was completed on Lakes Road with concrete poured over the spillway (pictured) and Rawhitiroa Road was repaired with a new road surface formed and sealed.

## ROADING SLIPS

Rainfall events in the first half of 2017 caused widespread road slips across the District. Roads closed were Waitotara Valley, Tangahoe Valley, Rawhitiroa, Aorere, Morea Valley, Glen Nui and Wingrove Roads. All were re-opened quickly; however the clean-up cost came to over \$200,000.

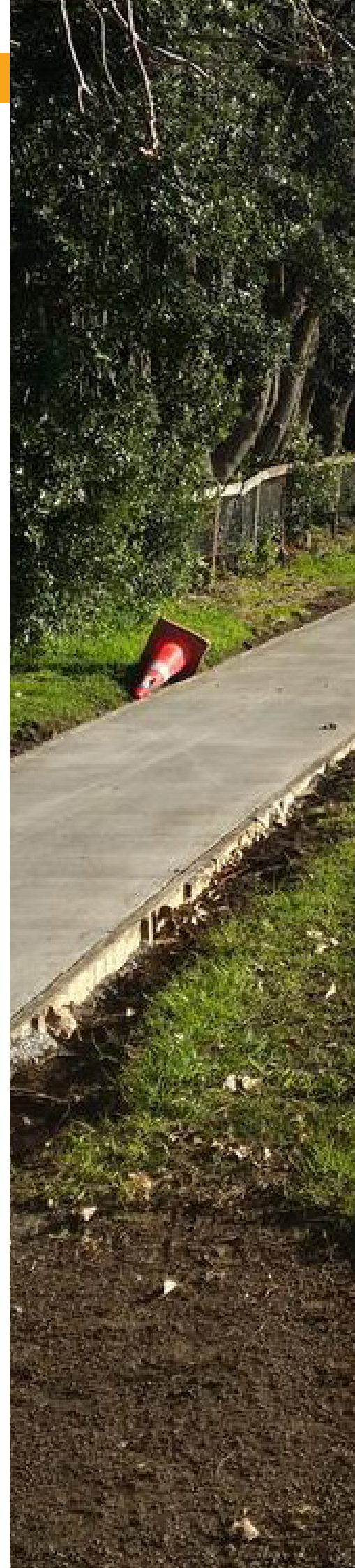
## DISTRICT STREET LIGHT UPDATE

Approximately 900 LED lights (37.5%) were installed out of a total of 2,400 streetlights throughout the District. The Council purchased another 1,000 LED lights which will be installed in 2017/18. The resulting energy savings to 30 June 2017 were about 79,150 KWH equating to around \$26,000 savings in operational costs.

## NUKUMARU STATION ROAD EXTENSION

On 3 May 2017 we applied to have the road corridor designated under the South Taranaki and Whanganui District Plans. The NZ Transport Agency have committed to funding any additional costs at our base Funding Assistance Rate (FAR). We have also been granted an Archaeological Authority from Heritage New Zealand, which allows for the necessary earthworks to be done under an approved Archaeological Management Plan, along with Iwi oversight on key sections. The estimated cost of the project is \$5.3 million.

Measure/Target	Achieved/Not Achieved
93% of roads meeting roughness standard remains stable or improves.	<b>Not Achieved</b> 91%. Five year average returned a result of 92.4%.
80% or more of road users satisfied with the condition of Council roads.	<b>Not Achieved</b> NRB Survey - 74% satisfaction.
93% of footpath condition rating 1-4.	<b>Achieved</b> 95% of footpaths made the 1-4 Condition Rating.
92% of urgent customer service requests relating to roads and footpaths responded within 2 working days.	<b>Achieved</b> 97.7% responded to within 2 working days.
92% of non-urgent customer service requests relating to roads and footpaths responded within 5 working days.	93% - 1,336 out of 1,437 customer requests were responded to within 5 working days.
Annual change in number of fatalities and serious injury crashes on local road network decreased by 1 or 0. DIA Performance Measure 1.	<b>Not Achieved (+5)</b> There were a total of 11 fatal and serious injury crashes in 2016/17 compared to 6 in 2015/16. There was 1 out of 11 crashes where the road environment may have been a contributing factor (road marking had faded). The rest of the crashes were due to speed, distraction, alcohol or drugs as the major contributing factor.







## WATER SUPPLY SERVICES

### VEOLIA CONTRACT EXTENSION

Veolia New Zealand were granted a three year extension (which they were entitled to under the terms of their contract) as the Council's reticulation network maintenance contractor for water, stormwater and sewer pipe networks. The extension continues until October 2020.

### WAVERLEY WATER SUPPLY

Notification of a positive E-coli sample result was received on Saturday 27 May for the Waverley water supply and a Boil Water Notice was put in place as a precautionary measure. Notices were hand delivered to Waverley residents on the same day. The town's reservoir was cleaned and disinfected and, in consultation with the Taranaki District Health Board, the notice was lifted on 6 June 2017. As a result the Council increased testing of the water supply, and reviewed systems and processes to minimise the likelihood of such an event occurring again.

### OPUNAKE WATER SUPPLY FLUSHING PROGRAMME

Opunake's water pipes were completely flushed in September 2016 as part of our annual cleaning programme.

### INAHA WATER TREATMENT PLANT

A new \$1.03million clarifier was installed at the Inaha Water Treatment Plant. The Plant supplies up to 5 million litres per day of water to the rural community and it was upgraded to meet the Drinking Water Standards.

### NOLANTOWN WATER MAINS UPGRADE

Stage 1 of the \$528,700 Nolantown (Hawera) water mains replacement project was completed by Whitaker Civil Engineering. Stage 2 (\$847,600) of the upgrade was started and will be finished in the 2017/18 year.

### ELTHAM WATER TREATMENT PLANT FILTER REFURBISHMENT

The \$334,594 project to refurbish the Eltham Water Treatment Plants filters was completed in December 2016.

### SKEET ROAD WATER MAIN RENEWAL

Work was completed to replace the main supply pipe linking the Kapuni scheme to Waimate West from Manaia Road to Palmer Road along Skeet Road. Taranaki Civil Construction replaced the old asbestos cement pipe with a 300mm diameter high density polyethylene pipe for \$847,000.

### VICTORIA STREET TRUNK WATER MAIN

Warner Construction Limited was contracted in early 2017 to deliver a greater water flow at a higher pressure to the Hawera CBD in the event of any fires. This work was three quarters completed by 30 June 2017.

## WATER SUPPLY SERVICES

Measure/Target	Achieved/Not Achieved
Number of complaints received (<21 per 1,000 connections) about water clarity, taste, odour, pressure, continuity of supply.	<b>Achieved</b> 20
10/10 supply compliance with current Drinking Water Standards (for bacteria). DIA Performance Measure 1a	<b>Not Achieved</b> 9/10 supplies complied but Waverley recorded a positive E-coli sample result in May 2017.
80% consumers satisfied with the water supply overall.	<b>Not Achieved</b> 79% of those surveyed were satisfied.
10/10 supply compliance with current Drinking Water Standards (for protozoa). DIA Performance Measure 1b	<b>Not Achieved.</b> 7/10 supplies complied. Three supplies are being upgraded in 2017/18.

## SOLID WASTE

### PATEA GREENWASTE SITE

Due to severe coastal sand dune erosion the Council's public greenwaste disposal site at Patea was formally closed on Tuesday 7 February 2017. Because of the erosion the greenwaste no longer did what it was designed for, which was to stabilise the dunes by trapping windblown sand. The Council's contracted expert, Dr Roger Shand recommended that we changed from a 'proactive' approach (preventing erosion guts, wind drifts and minimizing wave erosion) to a 'reactive' approach (stabilisation of erosion guts and wind drifts once they happen). The erosion was also causing the dunes to be unstable and unsafe. Free greenwaste disposal was provided for Patea residents for a six month transition period at the Patea Transfer Station, after which residents would be charged the standard fee for green waste disposal.

### CENTRAL LANDFILL

A joint Memorandum of Understanding (MoU) committing all three Taranaki territorial local authorities to form a new Joint Committee to oversee and manage the central landfill was completed and presented to each Council. The contract for design of the new landfill was let to environmental engineering consultancy Tonkin & Taylor. Work also started in April 2017 on the \$810,000 State Highway 3 – Rotokare Road intersection upgrade, designed to improve visibility and provide safe access to the new landfill site.

Measure/Target	Achieved/Not Achieved
90% or more of customers satisfied with the solid waste collection service.	<b>Achieved</b> 93% of those surveyed were satisfied.
No complaints received for missed street collection per annum.	<b>Achieved</b> Any streets missed were collected within 2 days.
26% or more of waste diverted from the landfill each year.	<b>Achieved</b> Total waste diverted was 34%.



# FINANCIAL OVERVIEW

The following pages provide an overview of the Council's financial performance for the year 1 July 2016 to 30 June 2017.

	Council	Consolidated
<b>Net surplus/(deficit)</b>	\$11,984,000	\$11,984,000
<b>Total assets</b>	\$977 million	\$977 million
<b>Total liabilities</b>	\$131 million	\$131 million
<b>Total equity</b>	\$846 million	\$846 million

The Council finished the year with a surplus of \$11,984,000 against a budgeted surplus of \$3,755,000. The main reasons for the surplus were:

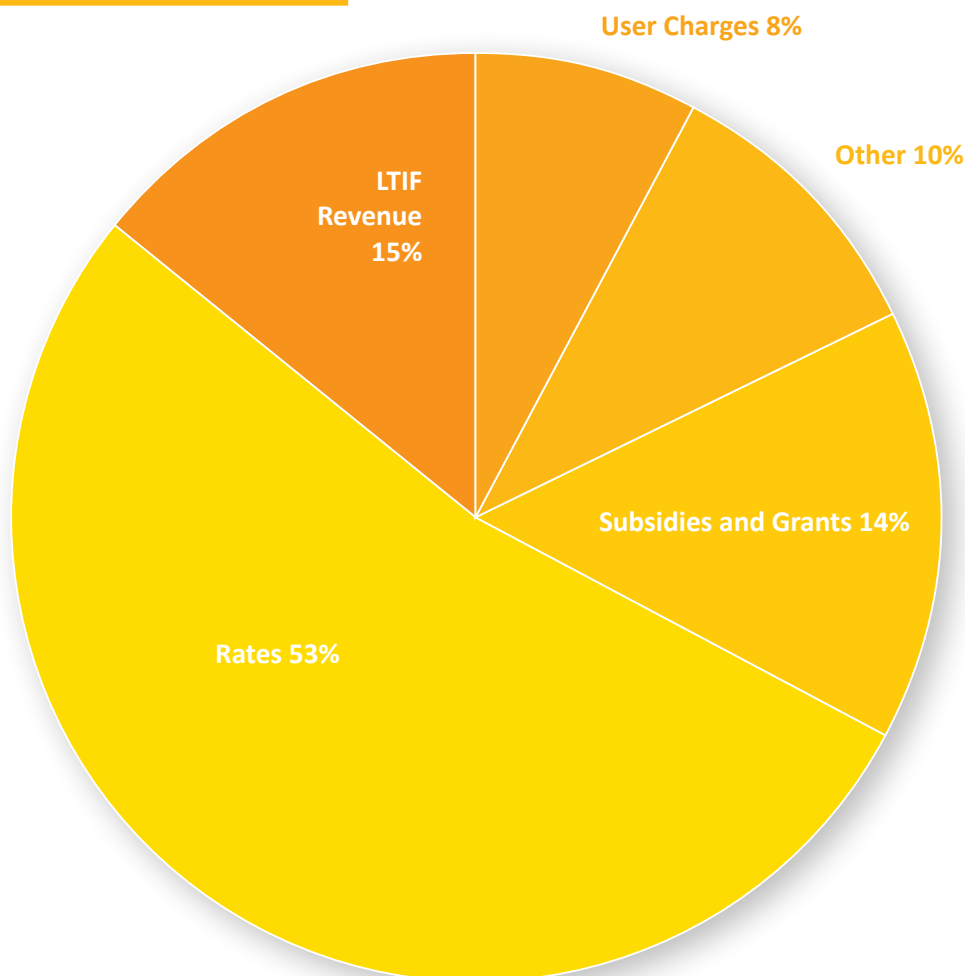
## REVENUE

- Total revenue was \$7.1 million more than budgeted.
- This included an accounting adjustment of \$4.3 million for the gain on derivative contract valuations (swaps) and \$2.8 million more than budgeted from the Long Term Investment Fund (LTIF) due to strong market conditions.

## EXPENDITURE

- An accounting adjustment for a \$743,000 book loss on infrastructure asset disposal. This has no impact on rates.
- \$1,142,000 of savings on actual versus budgeted amounts for interest paid and depreciation.

## OPERATING REVENUE



# STATEMENT OF FINANCIAL POSITION

## Net assets as at 30 June 2017

\$ million	Actual 2016/17	Budget 2016/17	Actual 2015/16
<b>Total assets</b>	977	931	912
<b>Less total liabilities</b>	131	153	143
<b>Net assets</b>	846	778	769

## LONG TERM INVESTMENT FUND (LTIF)

After allowing for the withdrawal of the annual (\$5.73 million) drawdown, the value of the LTIF increased from \$131.65 million to \$137.43 million (this includes internal borrowings of \$12.36 million).

## EXTERNAL FUNDS

The budgeted return for the LTIF in 2016/17 was \$9.07 million (including \$0.82 million of interest revenue from internal borrowings) but the LTIF received a net return of \$11.92 million (including \$0.80 million of interest revenue from internal borrowings) in the 2016/17 year as a result of strong market conditions.

During the year the Council withdrew \$5.73 million from the LTIF (this is an annual drawdown which provides \$3.87 million to subsidise general rates and a further \$1.86 million to service interest and loan repayments for specific community projects) and received \$0.97 million for loan repayments and \$0.80 million for the interest, on internal borrowings.

## DEBT

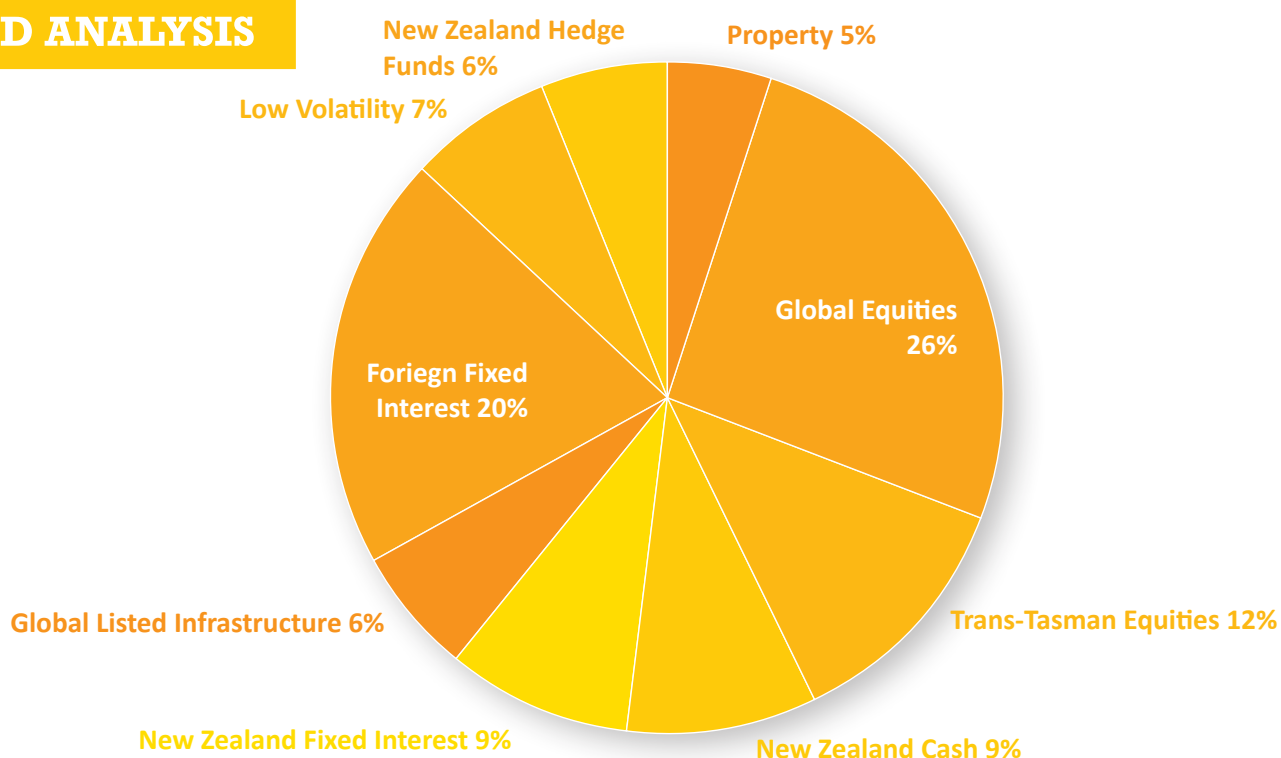
Council's total borrowing decreased from \$133.04 million (2016) to \$123.75 million. This included \$12.36 million of internal borrowing (\$13.34 million in 2016). The comparative figure for Term Debt in 2016 included \$10 million of commercial paper which was offset by a matching term deposit of \$10 million. Both of these were extinguished in July 2016.

## LOCAL GOVERNMENT (FINANCIAL AND PRUDENCE) REGULATIONS 2014

The Council is required to include Financial Prudence Benchmarks in its Annual Report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. The key benchmarks for 2016/17 are summarised below:

Key 2016/17 BenchmarkS	Actual	Achieved
Rates (Increase) Affordability Benchmark (<3.8%).	1.89%	Yes
Debt Affordability Benchmark - net interest expense as a percentage of total annual income (<15%).	-8%	Yes
Balance Budget Benchmark - revenue equals or is greater than its operating expenses (>100%).	112.76%	Yes
Debt Servicing Benchmark - borrowings costs equals or are less than 10% of its revenue (<10%).	8.18%	Yes

## FUND ANALYSIS

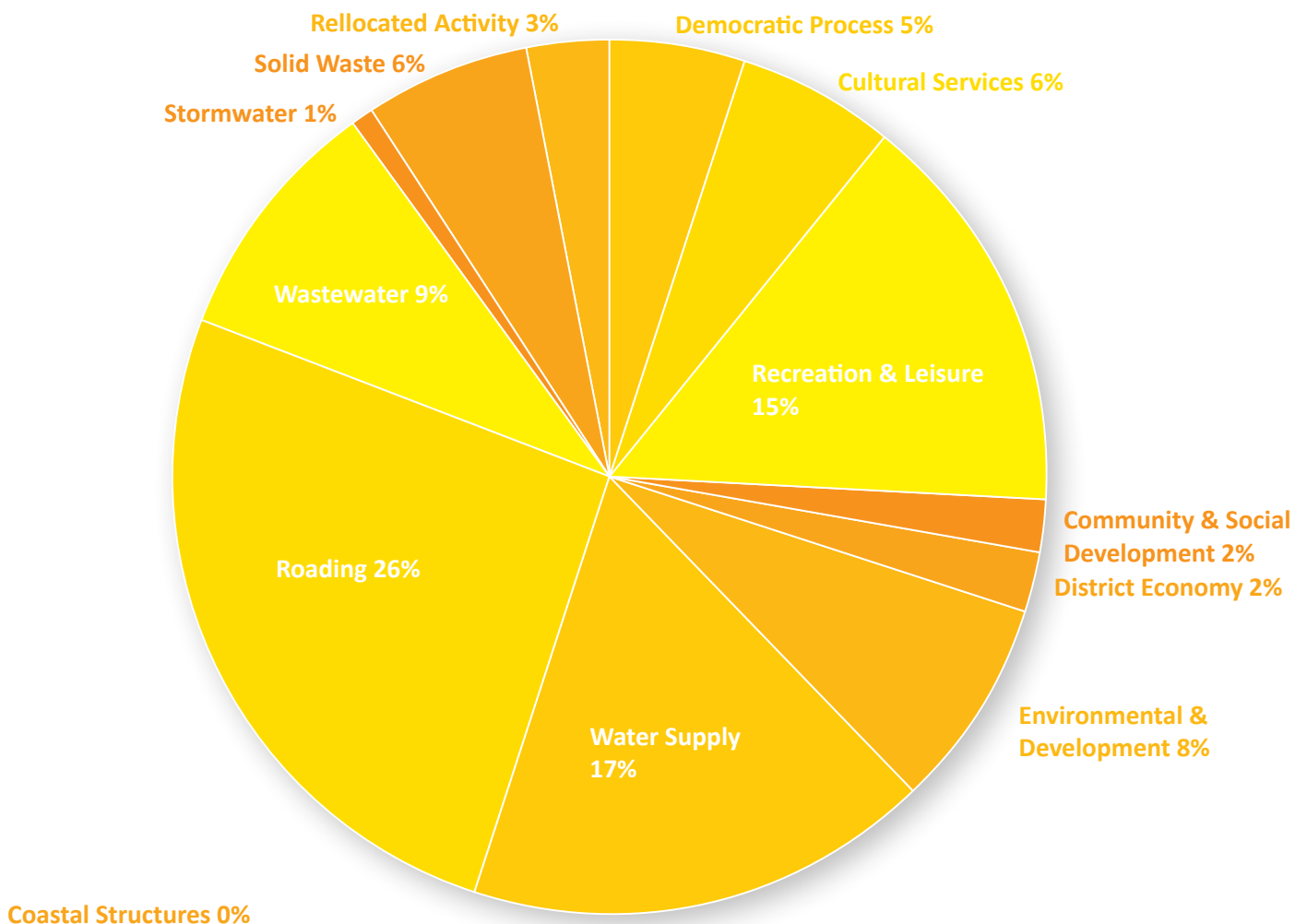


# FINANCIAL PERFORMANCE AND MOVEMENTS IN EQUITY

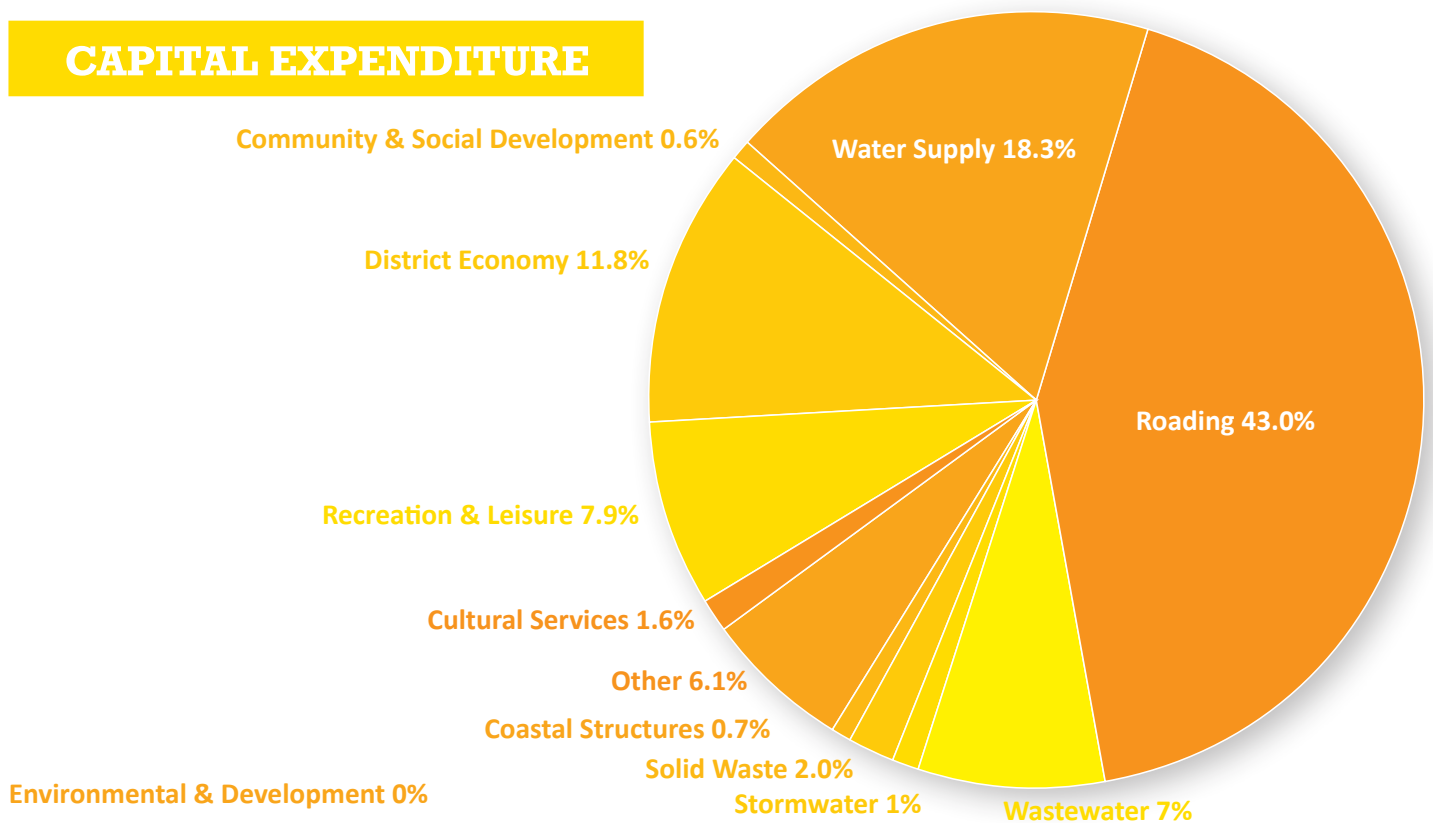
\$ millions	Actual 2016/17	Budget 2016/17	Actual 2015/16
Operating revenue	72.3	65.2	66.0
Operating expenditure	60.3	61.4	70.5
Net operating surplus/(deficit)	12.0	3.8	(4.5)
Net increase in value of assets	64.8	(3.3)	2.9
Total movements in equity	76.6	(23.5)	(4.4)

The variance between **Budget** and **Actual** in the Movements in Equity is due to a combination of more income than expected; the LTIF (\$2.8 million more than budgeted), accounting adjustment for the swaps (gain of \$4.3 million), write-off of some assets (loss of \$743,000) and the revaluation gain from Council's assets of \$64.51 million.

## OPERATING EXPENITURE



## CAPITAL EXPENDITURE



## GROUP SUMMARY STATEMENT OF FINANCIAL POSITION

\$000	Council Actual 2016/17	Budget 2016/17	Consolidation Actual 2016/17	Council Actual 2015/16	Consolidation Actual 2015/16
Current assets	113,832	119,814	113,832	114,726	114,726
Non-current assets	863,015	811,442	863,015	797,318	797,318
<b>Total Assets</b>	<b>976,847</b>	<b>931,255</b>	<b>976,847</b>	<b>912,045</b>	<b>912,045</b>
Current liabilities	10,118	12,654	10,118	24,497	24,497
Non-current liabilities	120,988	139,990	120,988	118,416	118,416
<b>Total Liabilities</b>	<b>131,106</b>	<b>152,644</b>	<b>131,106</b>	<b>142,913</b>	<b>142,913</b>
<b>Total Equity/Net Assets</b>	<b>845,741</b>	<b>778,612</b>	<b>845,741</b>	<b>769,133</b>	<b>769,133</b>

## GROUP SUMMARY STATEMENT OF COMPREHENSIVE

### REVENUE AND EXPENSES

\$000	Council Actual 2016/17	Budget 2016/17	Consolidation Actual 2016/17	Council Actual 2015/16	Consolidation Actual 2015/16
Total Revenue	72,257	65,167	72,257	65,994	65,994
Total expenses (excluding finance cost)	54,712	54,777	54,712	64,492	64,492
Finance cost	5,561	6,635	5,561	5,960	5,960
<b>Total operating surplus/(deficit) before tax</b>	<b>11,984</b>	<b>3,755</b>	<b>11,984</b>	<b>(4,458)</b>	<b>(4,458)</b>
<b>Other comprehensive revenue and expenditure</b>					
Increase/(decrease) in revaluation reserves	120	0	120	86	86
Gain on asset revaluation	64,504	0	64,504	0	0
<b>Total other comprehensive revenue and expenditure</b>	<b>64,624</b>	<b>0</b>	<b>64,624</b>	<b>86</b>	<b>86</b>
<b>Total comprehensive revenue and expenditure for the year</b>	<b>76,608</b>	<b>3,755</b>	<b>76,608</b>	<b>(4,372)</b>	<b>(4,372)</b>

## GROUP SUMMARY STATEMENT OF CHANGES IN EQUITY

\$000	Council Actual 2016/17	Budget 2016/17	Consolidation Actual 2016/17	Council Actual 2015/16	Consolidation Actual 2015/16
Equity at the beginning of the year	769,133	774,857	769,133	773,505	773,505
Net surplus/(deficit) for the year	11,984	3,755	11,984	(4,458)	(4,458)
Other comprehensive income/(loss)	64,624	0	64,624	86	86
Total comprehensive income for the year	76,608	3,755	76,608	(4,372)	(4,372)
Adjustments	-	-	-	-	-
<b>Equity at the end of the year comprising:</b>	<b>845,741</b>	<b>778,612</b>	<b>845,741</b>	<b>769,133</b>	<b>769,133</b>
Accumulated balances	415,925	419,025	415,925	411,285	411,285
Restricted and statutory reserves	1,886	1,905	1,886	1,789	1,789
Investment revaluation reserves	227	21	227	107	107
Separate operating reserves	5,673	2,597	5,673	3,051	3,051
Council created reserves	125,522	123,112	125,522	121,011	121,011
Capital replacement reserves	196	144	196	82	82
Asset revaluation reserves	296,313	231,808	296,313	231,808	231,808
<b>Equity at the end of the year</b>	<b>845,741</b>	<b>778,612</b>	<b>845,741</b>	<b>769,133</b>	<b>769,133</b>

## GROUP SUMMARY OF STATEMENT OF CASHFLOWS

\$000	Council Actual 2016/17	Budget 2016/17	Consolidation Actual 2016/17	Council Actual 2015/16	Consolidation Actual 2015/16
Net cashflows from operating activities	17,201	13,830	17,201	15,749	15,749
Net cashflows from investing activities	(8,099)	(20,943)	(8,099)	(28,254)	(28,254)
Net cashflows from financing activities	(8,277)	7,305	(8,277)	1,134	1,134
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>825</b>	<b>191</b>	<b>825</b>	<b>(11,370)</b>	<b>(11,370)</b>

### HOW WE PREPARED THESE STATEMENTS

This summary report has been taken from the South Taranaki District Council 2016/17 Annual Report. The Annual Report, adopted on 16 October 2017, has been prepared in accordance with Tier 1 PBE Standards and contains detailed information about our finances and service provision. Audit New Zealand has audited the full Annual Report and issued an unmodified opinion.

This summary is the Council's third summary under the new PBE Standards and has been prepared in compliance with PBE FRS-43 and examined by Audit NZ for consistency with the full Annual Report.

South Taranaki District Council is a public benefit entity for financial reporting purposes. The financial statements within the Annual Report have been prepared in accordance with New Zealand Generally Accepted Accounting Practices (NZ GAAP) and comply with PBE Standards. The financial statements include a Statement of Compliance to this effect. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars. This summary Annual Report was authorised by the Chief Executive Officer of the South Taranaki District Council on 9 November 2017.

# INDEPENDENT AUDITOR'S REPORT

To the readers of South Taranaki District Council's summary of the annual report for the year ended 30 June 2017

The summary of the annual report was derived from the annual report of the South Taranaki District Council (the District Council) and group for the year ended 30 June 2017.

The summary of the annual report comprises the following summary statements on pages 8 to 23:

- the summary statement of financial position as at 30 June 2017;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2017;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision

## OPINION

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

## SUMMARY OF THE ANNUAL REPORT

The summary of the annual report does not contain all the disclosures required by generally accepted practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

## THE FULL ANNUAL REPORT AND OUR AUDIT REPORT THEREON

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2017 in our auditor's report dated 16 October 2017.

## COUNCIL'S RESPONSIBILITY FOR THE SUMMARY OF THE ANNUAL REPORT


The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS-43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to reporting on the summary annual report, we have reported on the full annual report, and carried out an assurance review of the District Council's Debenture Trust Deed which is compatible with those independence requirements. Other than this reporting and the assurance review, we have no relationship with, or interests in the District Council or its subsidiary.



Andrew Clark,  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand  
9 November 2017

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa