

# SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT SUMMARY

2017/18



South Taranaki  
Alive with opportunity





# 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 2017/18 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 2017 to 30 June 2018) and to identify any major differences to what the Council set out to do in its 2017/18 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 8 October 2018. 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 2017/18 Annual Report reflects progress made in Year 3 of our 2015-2025 Long Term Plan.



# WELCOME TO THE SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT FOR 2017/18.

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 2018 have seen significant progress and completion of a number of projects that contribute to our key priorities. Our second Hāwera Town Centre project got underway with the demolition of the old butcher shop in High Street to make way for Korimako Lane; a new laneway connection to the Napier Street carpark. When finished (in 2018) Korimako Lane (and the refurbishment of the neighbouring Council owned Grubi Building) will complement Campbell Lane which was completed last year. Both of these laneway projects will provide improved connectivity between the free public carparks and the CBD shopping precinct.

Steady progress was also made on the planning and preparation work for the Council's Hāwera Town Centre project – the Centre for Heritage, Arts, Library, Culture and Information. We expect to have the designs for this project ready to share with the public in September 2018 and are on track to start the physical work in late 2019.

Work was completed on stage 2 of the Denby Road Pathway. The new 1.7 km section of pathway comes off the existing Denby Road pathway, runs across farmland and connects with Fairfield Road, effectively creating a loop back onto Manawapou Road, with the long term goal of linking up with Nowell's Lakes. In February the Manawapou Viaduct Walkway, which follows the old Ingahape Road from the State Highway at the bottom of Manawapou Hill, was also opened. 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 Tapuae Roa – Make Way for Taranaki Regional Economic Development Strategy was launched in August 2017 and focusses on four key areas for regional economic growth which was a collaborative effort between the South Taranaki, Stratford and New Plymouth District Councils, the Taranaki Regional Council, Venture Taranaki, local business leaders, Iwi and central government. The challenge now is to get on and deliver the Strategy over the coming years.

In December 2017 we completed a review of our Freedom Camping Bylaw. A key development coming out of the review was the employment of seven part time Freedom Camping Ambassadors across the District. Following much positive feedback and the dramatic decrease in complaints about freedom campers over the season, the Council agreed to engage ambassadors for future seasons.

The Council also made significant progress with the nine appeals we received on our new District Plan and expect to have these resolved by the end of 2018. The



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





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**WAID CROCKETT**  
*Chief Executive of  
South Taranaki District Council*

**“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.”**

District Plan is one of our key documents which controls the way land is used, developed, protected and subdivided in South Taranaki.

On 1 July 2017, the amendment to the Building Act 2004 which deals with earthquake prone buildings came into effect. Structural assessments have been completed for all major Council facilities with the rest to be completed over the next three years. This will provide us with a clear picture of what we need to do in terms of future remediation. The Council also decided to earthquake strengthen Kaponga LibraryPlus so the Library could return to its location in the centre of town. This work is underway.

The Council had a change in leadership as Waid Crockett replaced Craig Stevenson as Chief Executive. We thank Craig for his 13 years’ service as Chief Executive and welcome Waid who has had an extensive career in local government both in NZ and Australia.

The report includes a list of all of the projects we have been working on. Other notable achievements during the year include:

- 90 km of roads were resealed and 1.5 km of footpaths replaced
- The Normanby roadside rest area was officially opened
- Bridge 160 on Eltham Road was replaced for \$500,000
- An electric vehicle charging station was built in Ōpūnake (Napier Street)
- \$2 million in upgrades were undertaken at the Inaha Water Treatment Plant and the Inaha water supply was connected by pipeline to the Kapuni water supply
- All Council cemeteries were digitally mapped
- South Taranaki opened its Sporting Hall of Fame at TSB Hub with James Hunter (rugby), Roger Cox (shearing) and Adine Wilson (netball) being the first inductees
- The Hāwera Aquatic Centre had 98,528 visitors, their second busiest year since its upgrade was completed in 2009

Financially the Council finished the year with a \$8.0 million operational surplus, against a budgeted surplus of \$1.6 million.

This was thanks largely to the Council’s Long Term Investment Fund (LTIF) which returned \$11.99 million which was \$2.6 million more than budgeted. After allowing for the annual drawdown and rates subsidy, at year end the Fund balance totalled \$143.21 million (including \$11.38 million of internal borrowings), up from \$137.43 million in 2016/17. Total debt (including internal borrowings) also increased from \$123.75 million to \$128.18 million.

The Council is in a sound financial position and has a clear direction for our District. It is our privilege to present the Council’s 2017/18 Annual Report.







# 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; 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 403 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

## REPRESENTATION REVIEW

The Council started the process to review the District’s electoral and representation arrangements for the 2019 local government elections. This review included things such as the number of councillors and wards we should have, whether we should have community boards and if so, how many, where the boundaries are and what the names of the wards and community boards ought to be. The Council adopted an Initial Proposal for the Representation Review and public consultation was started in June 2018.

## DIGITAL AGENDAS AND CORRESPONDENCE

Digital agendas were introduced to the Mayor, Councillors and Senior Leadership Team in October 2017. The benefits included being more environmentally friendly with reduced printing costs, reduced postage costs and instant accessibility of agendas. It is also more efficient and convenient for elected members who can access the information anytime and anywhere. This project aligned well with the digital transformation of the Council.

## PROPERTY FILE DIGITISATION

The project to digitise property files (which started in 2015), finally finished in December 2017. The aim of the project was to protect our records and ensure records did not get lost or tampered with; increase access internally and externally; improve completeness of records and increase customer services.

Measure/Target	Achieved/Not Achieved
70% of residents who agree decisions made by Council represent the best interests of the District.	<b>Achieved</b> 76% of those surveyed felt decisions made by Council represent the best interests of the District with 9% replying ‘don’t know’.
60% of residents who are satisfied/neutral with their opportunity to participate in Council decision-making processes.	<b>Achieved</b> 87% of residents are satisfied or neutral with their opportunity to participate in Council decision-making processes.
52% of residents who are satisfied with the Council’s level of consultation.	<b>Achieved</b> 90% of residents surveyed are satisfied with the Council’s level of consultation.

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## CULTURAL SERVICES

### OUR MILKY WAYS EXHIBITION

Aotea Utanganui, Museum of South Taranaki held an exhibition, Our Milky Ways, exploring the creation and history of the dairy industry in Taranaki. This exhibition showed the pioneering beginnings through to domination on the world-stage; it told the story of the ‘White Gold Rush’ and focussed on the environmental footprint the industry has had on our natural environment, as well as the social impact on small towns and communities.

### EARTHQUAKE STRENGTHEN KAPONGA LIBRARYPLUS

The Council decided to earthquake strengthen the Kaponga LibraryPlus building so that the LibraryPlus service can return to its location in the town. It was also agreed that some minor changes to the interior layout of the building would be done at the same time to make the facility a more useable space.

### DIVERSE LOCALS SHOW

An exhibition featuring art work by 45 South Taranaki visual artists was curated by the Arts Co-ordinator in March. Diverse Locals was hosted by Hāwera’s Lysaght Watt Gallery; the show was a reflection of the vibrant and thriving arts community in our District. The works spanned a wide range of mediums by artists living in Puniho, Waverley, Kakaramea, Ōhawe, Eltham, Ōeo, Manaia, Whenuakura, Ōpūnake, Hāwera, Warea, Pātea, Mokoia and Pungarehu. Students from rural schools visited the exhibition tour and made sculptural badges to wear and celebrate their own identity in response to the artworks.

### CENTRE FOR HERITAGE, ARTS, LIBRARY, CULTURE AND INFORMATION

Work has been progressing with planning for the new Centre for Heritage, Arts, Library, Culture and Information (CHALCI) development in Hāwera. During the year geo-technical engineers and contractors undertook ground testing on the site, taking core samples to determine the types of soil, ground conditions and water levels. The information gained from this testing was used to inform the design engineers as to the best type of foundations for the new building. The architectural team have been working towards preparing concept designs for the facility.

### CEMETERY DATA UPDATE

The project to map all the Council owned cemeteries was completed. This has enabled staff to provide the public with accurate plot locations, deceased records, and an informational pamphlet.

### HĀWERA CEMETERY MEMORIAL WALL

A memorial wall (which also acts as a retaining wall) for family members to purchase a space to put memorial plaques, was put in place at the Hāwera Cemetery.

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>Not Achieved</b> Total visitors through the doors was 247,506. <b>Achieved</b> Total online visits was 153,057.
90% or more of customers satisfied with the tidiness and level of maintenance at Cemeteries.	<b>Achieved</b> 96% satisfaction.



## RECREATION AND LEISURE

### DENBY ROAD PATHWAY STAGE TWO

Mayor Ross Dunlop officially opened the new pathway between Fairfield and Denby Roads (Hawera), on Sunday 18 March 2018. The event was well attended by around 150 people. The overall cost of the Pathway was \$235,000.

### PUAWAI STREET OFF-ROAD CYCLE TRAIL

Council also approved the purchase of nearly 3.0 Ha of land from Fonterra to adjoin an existing reserve running off Puawai Street (Hawera) for the creation of a new off-road cycle trail for the enjoyment of families and mountain bike riders.

### TE ARA HĪKOI KE TE ARAWHITI O MANAWAPOU

The Manawapou Viaduct Walkway was opened in February 2018 in a ceremony attended by the Mayor Ross Dunlop, Councillors, Iwi representatives, staff and invited guests. The walkway which follows the sealed, former Ingahape Road from the State Highway at the bottom of the Manawapou Hill, meanders through farmland for a kilometre to the Manawapou Viaduct which stands 44.5 metres high above the river.

### AOTEA PARK'S NEW PLAYGROUND

A bright and colourful new playground was installed at Aotea Park in Waverley as part of our District Playground replacement programme. Aotea Park was also fortunate to have an additional piece of outdoor exercise equipment donated and installed to give adult visitors the opportunity to exercise whilst the younger people are playing.

### OPUNAKE BEACH MASTERPLAN

The Ōpūnake Beach Masterplan was adopted by the Council, with a number of actions and projects being generated from the Plan. In December 2017, several tonnes of tree limbs were removed from Ōpūnake's seaside cliffs above the Ōpūnake Beach campsite and the Goat Track walkway. Aided by the lifting capacity of a 55 tonne crane, arborists cut back or removed heavy Pohutukawa limbs that were increasingly putting pressure on the fragile cliff causing fracturing and slippage.

### FREEDOM CAMPING BYLAW

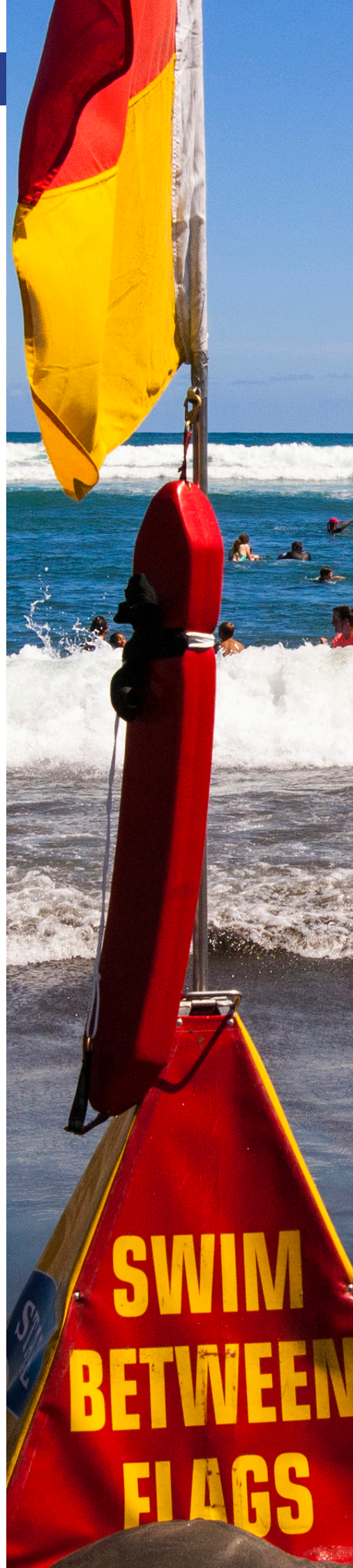
The district's Freedom Camping Bylaw was reviewed in December 2017 and in January, the Council employed seven part-time Freedom Camping Ambassadors to work across the District. The Ambassadors were to educate and welcome visitors, ensuring they understood where they could and couldn't freedom camp within the District. The ambassadors worked through until the end of April and given the positive feedback and dramatic decrease in the number of complaints received about freedom campers over the season, the Council agreed to engaging Ambassadors for future seasons.

### HAWERA AQUATIC CENTRE

Attendance at Hāwera Aquatic Centre was 98,528, the second busiest year since the 2008/09 upgrade. Funding support from TSB Community Trust enabled more affordable access for a wider range of participants resulting in increased schools Swim and Survive Programme activity. The total of all 'learn to swim' activities at the Aquatic Centre accounted for 19,404 customer visits.

### SPORTING HALL OF FAME

Working in partnership with Hāwera Rotary a Sporting Hall of Fame was established at the TSB Hub in July 2017. The first three sporting inductees were James 'Jimmy' Hunter (rugby), Roger Cox (shearing) and Adine Wilson (netball).







## RECREATION AND LEISURE

### COUNCIL'S EARTHQUAKE PRONE BUILDINGS

Over the past 12 months Detailed Seismic Assessments have been completed for the Eltham Municipal Building, Kaponga Memorial Hall, Pātea Library, Manaia Sports Complex and Manaia Library. Assessments have now been completed for all major Council facilities and the remainder of at risk buildings will be completed over the next three years, providing a clear picture of District wide needs before allocating funds to further remedial projects.

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> 79% satisfaction.
90% or more satisfaction with maintenance and cleanliness of halls.	<b>Achieved</b> 95% satisfaction.
Number of TSB Hub users is more than 150,000 per annum.	<b>Not Achieved</b> 134,022 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 98,528.
Total number of users of rural pools is greater than 40,000.	<b>Achieved</b> Total attendance was 46,684.
80% of customers satisfied with Rural Pools being well maintained.	<b>Achieved</b> 85% of customers surveyed were satisfied.

## DISTRICT ECONOMY

### TAPUAE ROA - MAKE WAY FOR TARANAKI

The Tapuae Roa - Make Way for Taranaki Regional Economic Development Strategy was launched in August. It's a collaborative effort between New Plymouth District Council, South Taranaki District Council, Stratford District Council, Taranaki Regional Council, Venture Taranaki, local business leaders, Iwi and central government. The project takes a whole-of-region approach and focuses on unlocking the best opportunities for regional economic growth. The Tapuae Roa Action Plan was released in April 2018.

### ON THE CLOCK

On the Clock, a Mayors' Taskforce for Jobs initiative, was held in April at TSB Hub. Around 150 Hāwera High School Year 10 students and six FEATS students had five minutes with 14 separate employers and Industry Training Organisation representatives to hear what was needed to get a job in their business. There was great support from a variety of local business people who made the time to share their experiences with the students. The students were asked how they found the event with 93% of them finding it useful.

### FOOD FOR THOUGHT

Approximately 60 people heard stories from four Taranaki food businesses and the support they had received from Venture Taranaki at the Food for Thought event held at TSB Hub in April. The attendees enjoyed meeting the business owners and sampling the products from Ryan and Brad Smith Paddock to Plate, Leonie Matoe Kaitahi, Dave James Juno Gin and James Annabell from Egmont Honey.



# DISTRICT ECONOMY

## KORIMAKO LANE

Early in the year we saw the demolition of the old “Butchers” building in the Hāwera CBD. This was the beginning of the second major project in the Hāwera Town Centre Development that will become Korimako Lane, the refurbishment of the neighbouring Council owned Grubi building and new laneway connection to the Napier Street carpark.

## GREAT HĀWERA COMEDY NIGHT

The Great Hāwera Comedy Night had its biggest show in its eight year history. With increased ticket demand for the internationally known comedian Chopper, regular MC Ben Hurley and support from Vaughan King, the event had to be moved from its usual venue upstairs at TSB Hub, to the expansive space of Courts 1 and 2. Around 900 tickets were sold making it the largest indoor event the Council’s events team has organised to date.

## ICE SKATE TOUR

As part of the new Winter Events Programme, the Ice Skate Tour came to South Taranaki for the first time in July 2017. During the two weeks the rink was at TSB Hub, 3,400 people enjoyed the artificial ice skating experience including many schools from across the District, who were able to visit thanks to funding provided by the TSB Community Trust.

## SERVICE IQ TRAINING ACHIEVEMENT AWARD

The i-SITE Visitor Centre team won the Service IQ Training Achievement Award at the 2017 i-SITE New Zealand National Conference. This award was in recognition of having the highest proportion of trained staff when measured against the i-SITE membership standards and criteria as well as their ongoing commitment to training.

Measure/Target	Achieved/Not Achieved
475 or more client interactions with the Business Advisory Service.	<b>Achieved</b> There have been 923 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> 95% (Venture Taranaki annual satisfaction survey).
At least 2 painting incentives granted.	<b>Achieved</b> 4 painting incentives were granted.
At least 6 events provided or supported by Council per annum.	<b>Achieved</b> 18 events were provided or supported.







## COMMUNITY AND SOCIAL DEVELOPMENT

### HAWERA TOWN PIANO

Three high school students worked on the Hāwera town piano with Community Board member, Diana Reid, every Wednesday after school for several months. The piano was presented to the community in December 2017 on the morning of the town’s Christmas parade and received many positive comments with talented individuals entertaining visitors to the town. The piano was donated and a local business, Hāwera Welding, made a trolley for the piano for free.

### WELCOME TO PĀTEA SIGNS

New Welcome to Pātea signs were chosen by the community. Local artists and photographers were invited to submit their work for the signs and Kiwi Henare’s graphic design received the most votes.

### MAYOR’S ANNUAL THANK YOU TO DISTRICT VOLUNTEERS

The Mayor’s annual ‘thank you’ to our South Taranaki Community Volunteers was held in June at the Aotearoa Marae near Okaiawa. Approximately 80 volunteers were treated to a powhiri and learning of tikanga Māori in the whareniui before enjoying a traditional hangi lunch and dessert. For many people, this was their first visit on a marae and they enjoyed the experience and the opportunity to ask questions.

### PENSIONER HOUSING REFITS

Work on the interior refits of 63 Pensioner Units continued with 47 completed as at June 2018. We remain ahead of our target of bringing 90% of units up to a standard of ‘good’ or ‘very good’ with 66% of units now meeting the standard. Occupancy rates continue to be high at 95-100% despite units being closed for an average of 12 weeks during refits.

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> 96% 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 50% 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> 96% satisfaction from annual resident’s survey.



# ENVIRONMENT AND DEVELOPMENT

## CONSENTS AND LICENSING NUMBERS

572 building consents, 113 resource consents, 225 health premises registrations, 114 alcohol licences and 111 Manager Certificates were processed during the year.

## DISTRICT PLAN REVIEW

During the year, the Council made significant progress with the nine appeals on the District Plan. Through Court assisted mediation, consent orders have been drafted that would resolve seven of the nine appeals. An Environment Court hearing was held in May in relation to the New Zealand Heavy Haulage Association appeal which was successfully defended by the Council. The second remaining appeal relates to the District Plan's Hazardous Substances provisions and some of its controls for petroleum activities. The matters covering this appeal are wide ranging and unique to Taranaki so have not been explored by councils in other regions. We hope to have a decision from the Environment Court by the end of 2018. This will enable the Proposed District Plan 2015 to be made operative.

## BUILDING CONSENT AUTHORITY (BCA) ACCREDITATION

In March 2018, three of the Council's Building Control Officers passed a formal assessment of their 'Competency to Process Building Consents and Inspect Building Work'. This is a statutory requirement, as part of a BCA's Bi-Annual Accreditation audit, and must be carried out annually.

## ANIMAL CONTROL

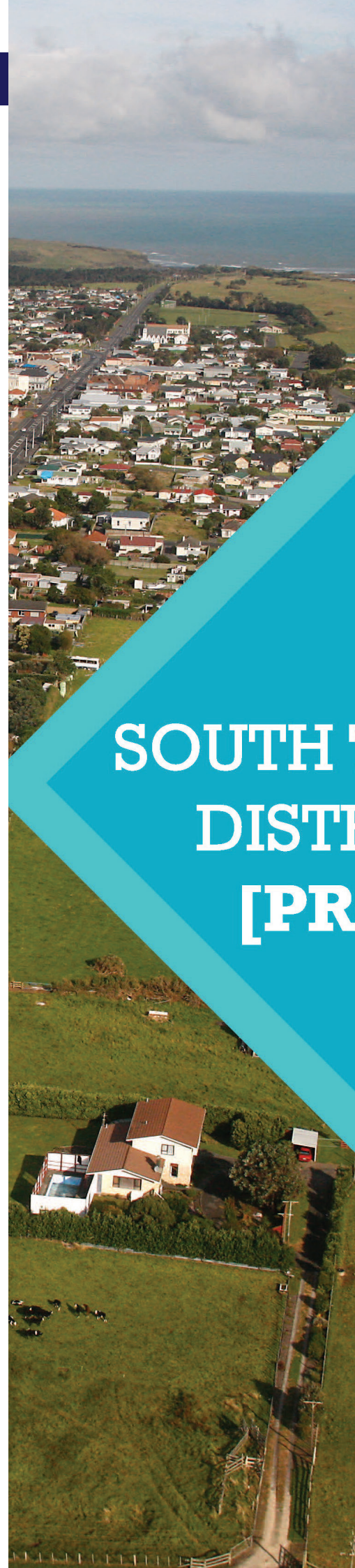
A total of 1,690 animal control related complaints were received during the 2017/18 year and compares to previous years as follows:

Type of complaint	2013/14	2014/15	2015/16	2016/17	2017/18
Dog Attack	50	42	63	65	67
Rushing/Threatening	31	21	18	32	49
Roaming	689	587	540	563	615
Barking	256	268	204	506	595
Welfare	52	45	34	12	16
General Dog Complaints	135	223	442	473	348
<b>Total</b>	<b>1,213</b>	<b>1,186</b>	<b>1,301</b>	<b>1,651</b>	<b>1,690</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 years, it has remained steady at 3-5% of all complaints received each year. The Council continues to be committed to reuniting lost dogs with their owners and re-homing suitable dogs. Of the 290 dogs which were impounded, 164 dogs were either returned to their owners or re-homed.

## THE ENVIRONMENTAL HEALTH TEAM

The Environmental Health (EH) Team continues to transition food businesses onto food control plans or national programmes depending on the food sector and any associated risk. The new Food Act puts a lot of emphasis on managers of food businesses developing a plan to show how they prepare and sell safe food. The Plan is then audited by the Council's Environmental Health Officers (EHOs) generally once a year. This is a major change in how the EHOs verify food safety.





## ENVIRONMENT AND DEVELOPMENT

Measure/Target	Achieved/Not Achieved
That 100% of (liquor) licensed premises are inspected annually.	<b>Achieved</b> 100%.
That 95% of new and renewed (food) licensed premises applications processed within 10 working days.	<b>Achieved</b> 97%.
At least 90% of noise complaints are responded to within one hour.	<b>Achieved</b> 99% of noise complaints (757 of 766) were responded to within one hour.
100% of all building consent applications are processed within 20 working days.	<b>Not Achieved</b> 99.82% - 572 building consents were processed and 1 exceeded the statutory timeframe.
95% or more of building inspections carried out within 2 working days of request.	<b>Achieved</b> 100% - 2,218 inspections were undertaken.
100% of resource consent applications are processed within statutory timeframes.	<b>Achieved</b> 100%.
97% of reported serious dog or wandering stock incidents responded to within 4 hours.	<b>Achieved</b> 99% - 325 out of 329 incidents were responded to within 4 hours.
97% of reported general dog incidents responded to within 1 working day.	<b>Achieved</b> 98% - 1,652 of 1,686 incidents were responded to within 1 working day.



# TARANAKI DISTRICT PLAN PROPOSED]

August 2015

## ROADING AND FOOTPATHS

90 km of roads were resealed and 1.5 km of footpaths replaced as well as Bridge 160 on Eltham Road for \$500,000.

### NUKUMARU STATION ROAD EXTENSION PROJECT

In June 2018 the South Taranaki District Council were represented in an Environment Court hearing in response to an appeal by a landowner against the road designation. The case was resolved in court with the parties agreeing to slightly modified conditions. This project is now proceeding which includes negotiating land acquisition agreements with the property owners, including securing budgets and contributions from key funders such as the New Zealand Transport Agency.

### RAINFALL EFFECTS ON THE DISTRICT ROADS

Rainfall effects on the District roads caused widespread slips – flood damage for the year totalled \$1.2 million. Roads that were closed throughout the year included Waitotara Valley, Tangahoe Valley, Rawhitiroa, Aorere, Morea Valley, Glen Nui and Wingrove Roads.

### NEW BRUSH LAYER WALL

A contract was negotiated with RST Environmental Solutions for the construction of six brush layer retaining walls on Tangahoe Valley Road. These walls are a low cost solution to retain and stabilise drop outs, or slips on sloppy road side slopes. The installation of these walls should reduce the number of slips and hence the number of times the road is closed to traffic.



## ROADING AND FOOTPATHS

### ELECTRIC VEHICLE CHARGING STATIONS

In August 2017 the Council, in conjunction with the Stratford District Council, made an application to the Low Emission Vehicle Contestable Fund to install electric vehicle rapid chargers in Taranaki. On 17 January 2018 Council were successful in obtaining a 50% subsidy from the Fund for the \$160,070 project. This enables the installation of three public rapid chargers to support electric vehicles travelling both within Taranaki and to adjoining regions. These locations include the War Memorial Carpark on Miranda Street in Stratford, on Napier Street in Ōpūnake and on Chester Street in Waverley.

### NEW REST AREA AT THE NORTHERN END OF MĀTĀRIKI, NORMANBY

On Saturday 13 January 2018 at dawn, the new Rest Area at the northern end of Mātāriki, Normanby was unveiled. This began with the lighting of a ceremonial fire to acknowledge the settlement of the local hapū, Araukuuku followed by the blessing.

Measure/Target	Achieved/Not Achieved
93% of roads meeting roughness standard remains stable or improves.	<b>Achieved</b> 93%.
80% or more of road users satisfied with the condition of Council roads.	<b>Not Achieved</b> 73% satisfaction.
6.5% of sealed roads resurfaced annually.	<b>Achieved</b> 512,000m <sup>2</sup> of road was resealed which is 6.8%.
94% of footpath with condition rating 1-4.	<b>Achieved</b> 94.3% of footpaths made the 1-4 Condition Rating.
94% of urgent customer service requests relating to roads and footpaths responded within 2 working days.	<b>Not Achieved</b> 92% responded to within 2 working days.
94% of non-urgent customer service requests relating to roads and footpaths responded within 5 working days.	<b>Not Achieved</b> 1,393 out of 1,512 customer requests were responded to within 5 working days.

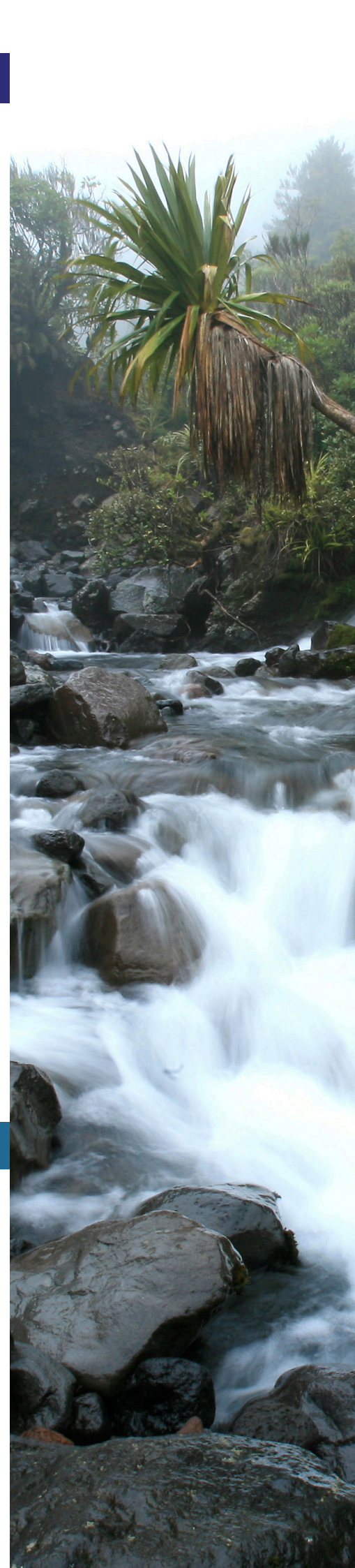
## WASTE WATER

### ELTHAM/HAWERA WASTEWATER OUTFALL DISCHARGE

In June 2018 the Taranaki Regional Council approved a new treated wastewater discharge consent via the Fonterra ocean outfall 1.8kms off the coast south of Hāwera. The renewed consent is for 35 years, and includes six-yearly review periods. There are a number of associated conditions, many of which were agreed through pre-consent consultation with Iwi, as well as environmental groups and individual submitters.

### TRADE WASTE

Inspections started in Hāwera with High Street commercial premises, transfer stations and swimming pools being inspected. This is an ongoing programme with the Council working alongside our Tradewaste users.







## WASTE WATER

### SEWER INFLOW AND INFILTRATION

Investigations along a section of sewer between Normanby and Hāwera has identified areas where rainwater is getting into the network, contributing to high flows at the Hāwera Wastewater Treatment Plant during wet weather events. The investigations have allowed us to prioritise sections of the Normanby Trunk to be included in the sewer relining programme.

### AERATORS AT WASTEWATER TREATMENT PLANTS

A new dispersion aerator was installed at the Manaia Wastewater pond, and two additional units were installed at the Hāwera ponds; these included a rebuilt brush type and new dispersion type. The additional aerator was required to meet increasing demand for treatment and to maintain oxygen levels above resource consent limits for odour control.

Measure/Target	Achieved/Not Achieved
Less than 1 customer complaint per year relating to odours from wastewater pump stations or treatment facilities (per 1,000 connections).	<b>Achieved</b> 0.63 complaints were received (per 1,000 connections).
Fewer than 12 customer complaints per year about sewerage system faults (per 1,000 connections).	<b>Not Achieved</b> 39.17 were received.
Total number of complaints received (<25 per 1,000 connections). <i>DIA Performance Measures 4a-4d</i>	<b>Not Achieved</b> In total 54.63 complaints (per 1,000 connections) were received relating to DIA Measures 4a-4d.
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>Achieved</b> 85% of customers surveyed were satisfied.

## WATER SUPPLY SERVICES

### INAHA WATER TREATMENT PLANT

\$2 million in upgrades were undertaken at the Inaha Water Treatment Plant so the Plant would meet the New Zealand Drinking Water Standards for Rural/Agriculture water supplies. The Inaha water supply was also connected by pipeline to the Kapuni water supply.

### HAWERA WATER SUPPLY WATER MAIN

On 2 January 2018 there was a break on a 300mm Hāwera water main, on a farm off Burgon Road. This was one of two main water supply lines to Hāwera, Normanby and Ōhawe Beach. The burst was attended and repaired overnight.

### NELSON AND UNION STREETS UPGRADE

A new water main was installed in Nelson Street, Hāwera and was replaced ahead of further street upgrade work planned in conjunction with the new Countdown supermarket development in the area. We received the draft plan for the upgrade to Nelson Street which was approved and the plan included new road layouts as well.



## WATER SUPPLY SERVICES

### WAIMATE WEST BORE HEAD

The Waimate West Bore Head was completed this year. This work involved a recycling system where water from the settling pond was captured and pumped back to the intake of the treatment plant.

### FLUORIDATION PROGRESS

In June 2018 Council successfully defended our decision to add fluoride into the Waverley and Pātea water supplies.

Measure/Target	Achieved/Not Achieved
Number of complaints received (<2 per 1,000 connections) about water clarity, taste, odour, pressure, continuity of supply.	<b>Achieved</b> Water clarity (0.84), Water taste (0.84), Water odour (0.75). <b>Not Achieved</b> Water pressure (5.05).
Number of complaints received (<9 per 1,000 connections) about continuity of supply.	<b>Not Achieved</b> 9.63.
Total number of complaints received (<18 per 1,000 connections) for DIA Performance Measures 4a - 4e.	<b>Achieved</b> In total 17.11 complaints (per 1,000 connections) were received relating to Measures 4a - 4e.
10/10 supplies compliant with current Drinking Water Standards (for bacteria).	<b>Achieved</b> 10/10 supplies complied with Drinking Water Standards for bacteria.
80% of consumers satisfied with the water supply overall.	<b>Achieved</b> 83% of those surveyed were satisfied.



*What goes around...  
...comes around*

## SOLID WASTE

Measure/Target	Achieved/Not Achieved
90% or more of customers satisfied with the solid waste collection service.	<b>Achieved</b> 94% of those surveyed were satisfied.
No complaints received for missed street collection per annum.	<b>Achieved</b> Any streets missed were collected.
27% or more of waste diverted from the landfill each year.	<b>Achieved</b> Total waste diverted was 36%.



## STORMWATER

Measure/Target	Achieved/Not Achieved
Fewer than 10 reported flooding incidents of habitable properties.	<b>Achieved</b> A total of 4 flooding events of habitable properties were recorded.
No abatement notices received by Council for stormwater discharges.	<b>Achieved</b> 0 abatement notices were received.



# FINANCIAL OVERVIEW

The following pages provide an overview of the Council's financial performance for the year 1 July 2017 to 30 June 2018.

	Council
Net surplus/(deficit)	\$8,042,000
Total assets	\$992 million
Total liabilities	\$138 million
Total equity	\$854 million

The Council finished the year with a surplus of \$8,042,000 against a budgeted surplus of \$1,617,000. The main reasons for the surplus were:

## REVENUE

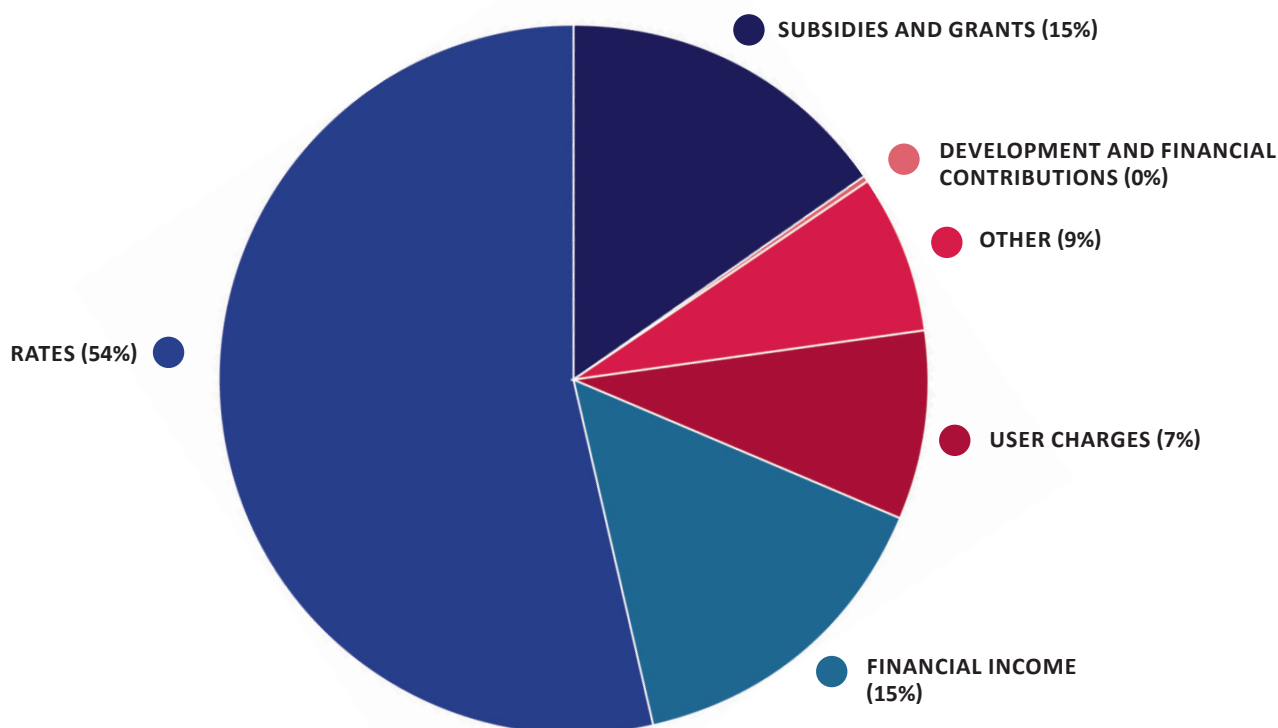
- Total revenue was \$10.3 million more than budgeted.
- This included \$2.6 million more than budgeted in earnings from the Long Term Investment Fund, due to favourable market conditions, \$4 million additional

sundry revenue received from the New Plymouth District Council (NPDC) in accordance with the Central Landfill Joint Committee Agreement and additional \$2.5m subsidies for Rotokare Road and SH3 upgrades.

## EXPENDITURE

- An accounting adjustment for the \$0.66 million book loss on infrastructure asset disposal (no impact on rates).
- \$1.04 million accounting adjustment for the loss on derivative contract (Swaps).
- \$3.9 million of unbudgeted expenditure, mainly within the Roothing activity and Landfill which were both recovered from NPDC and unbudgeted expenditure relating to the review of Council's District Plan.
- \$1.7 million of savings on actual versus budgeted amounts for interest paid and depreciation due to delays in the Capital Works Programmes.

## OPERATING REVENUE





# STATEMENT OF FINANCIAL POSITION

Net assets as at 30 June 2018

\$ million	Actual 2017/18	Budget 2017/18	Actual 2016/17
<b>Total assets</b>	992	971	977
<b>Less total liabilities</b>	138	151	131
<b>Net assets</b>	854	820	846

## LONG TERM INVESTMENT FUND (LTIF)

After allowing for the withdrawal of the annual (\$5.8 million) drawdown, the value of the LTIF increased from \$137.43 million to \$143.21 million (this includes internal borrowings of \$11.38 million).

## EXTERNAL FUNDS

The budgeted return for the LTIF in 2017/18 was \$9.36 million (including \$0.72 million of interest revenue from internal borrowings) but the LTIF received a net return of \$11.99 million (including \$0.82 million of interest revenue from internal borrowings) in the 2017/18 year as a result of strong market conditions.

During the year the Council withdrew \$5.8 million from the LTIF (this is an annual drawdown which provides \$3.87 million to subsidise general rates and a further \$1.93 million to service interest and loan repayments for specific community projects) and received \$0.97 million for loan repayments and \$0.82 million for the interest, on internal borrowings.

## DEBT

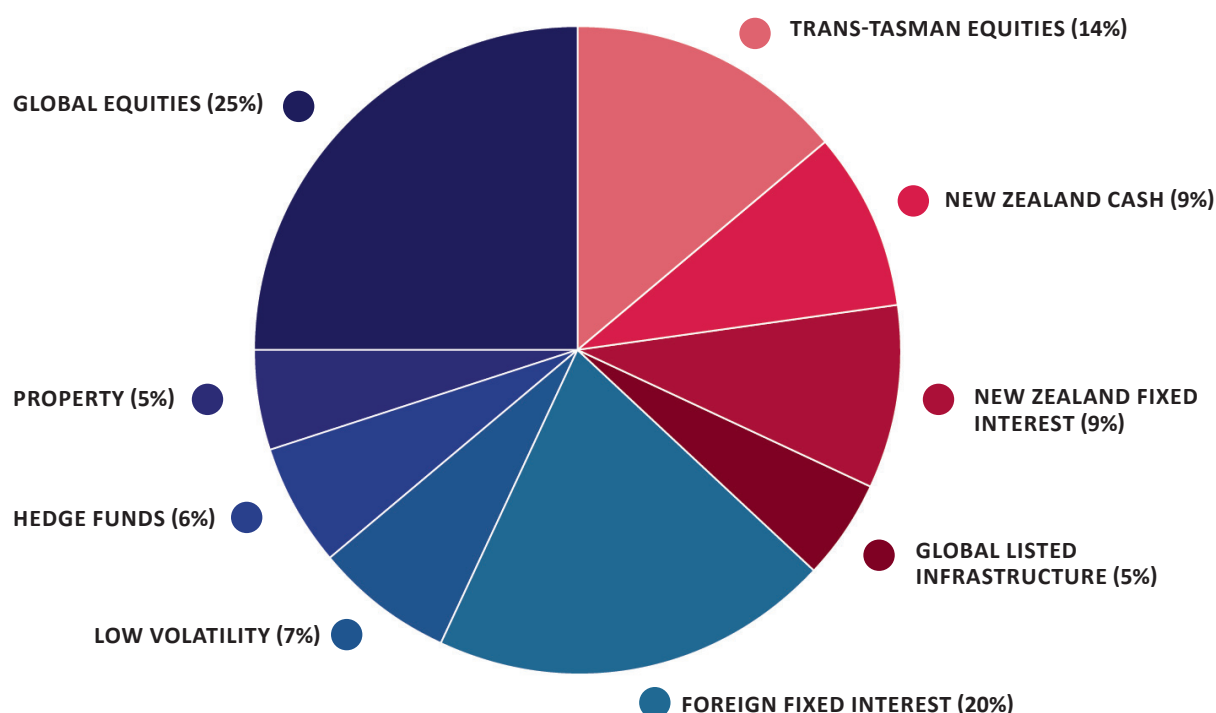
Council's total borrowing increased from \$123.75 million (2017) to \$128.18 million. This included \$11.38 million of internal borrowing (\$12.36 million in 2017).

## 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 2017/18 are summarised below:

Key 2017/18 Benchmarks	Actual	Achieved
<b>Rates (Increase) Affordability Benchmark (&lt;3.8%).</b>	2.49%	Yes
<b>Debt Affordability Benchmark - net interest expense as a percentage of total annual income (&lt;15%).</b>	-8%	Yes
<b>Balance Budget Benchmark - revenue equals or is greater than its operating expenses (&gt;100%).</b>	112.07%	Yes
<b>Debt Servicing Benchmark - borrowings costs equals or are less than 10% of its revenue (&lt;10%).</b>	7.44%	Yes

## FUND ANALYSIS



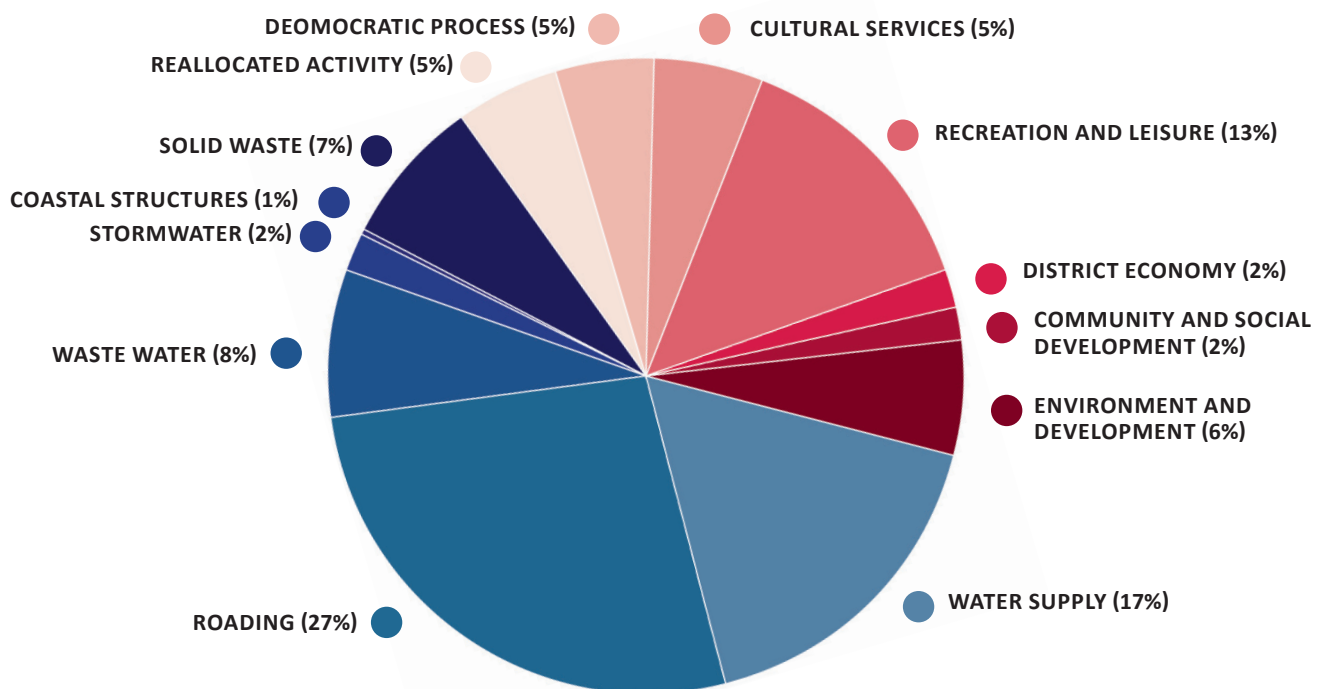


# FINANCIAL PERFORMANCE AND MOVEMENTS IN EQUITY

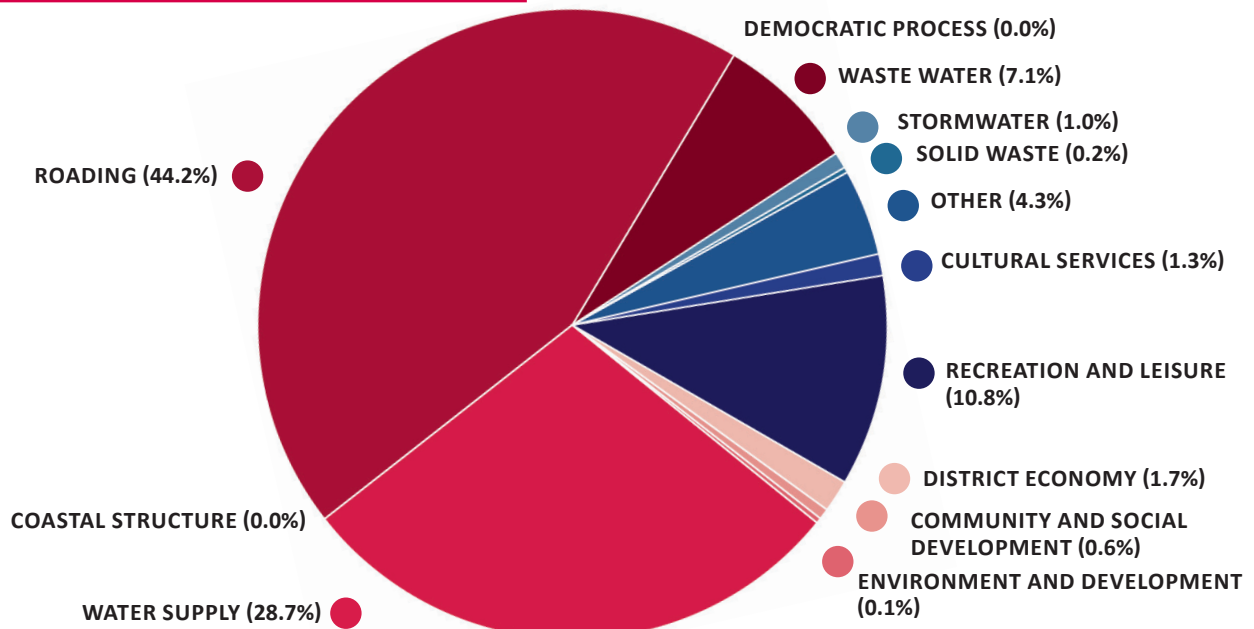
\$ millions	Actual 2017/18	Budget 2017/18	Actual 2016/17
Operating revenue	74.66	64.39	72.25
Operating expenditure	66.62	62.77	60.27
Net operating surplus/(deficit)	8.04	1.62	11.98
Net increase in value of assets	14.71	42.0	64.80
Total movements in Equity	8.01	41.16	76.61

The variance between **Budget** and **Actual** in the Movements in Equity is due to a combination of more income than expected as explained on page 19.

## OPERATING EXPENDITURE



## CAPITAL EXPENDITURE





## SUMMARY STATEMENT OF FINANCIAL POSITION

\$000	Actual 2017/18	Council Budget 2017/18	Consolidation Actual 2017/18	Council Actual 2016/17	Consolidation Actual 2016/17
Current Assets	121,554	114,425	121,554	113,832	113,832
Non-current Assets	870,006	856,068	870,006	863,015	863,015
<b>Total Assets</b>	<b>991,560</b>	<b>970,493</b>	<b>991,560</b>	<b>976,847</b>	<b>976,847</b>
Current Liabilities	30,730	12,716	30,730	10,118	10,118
Non-current Liabilities	107,078	138,011	107,078	120,988	120,988
<b>Total Liabilities</b>	<b>137,808</b>	<b>150,727</b>	<b>137,808</b>	<b>131,106</b>	<b>131,106</b>
<b>Total Equity/Net Assets</b>	<b>853,752</b>	<b>819,766</b>	<b>853,752</b>	<b>845,741</b>	<b>845,741</b>

## SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

\$000	Council Actual 2017/18	Budget 2017/18	Consolidation Actual 2017/18	Council Actual 2016/17	Consolidation Actual 2016/17
Total Revenue	74,657	64,391	74,657	72,257	72,257
Total Expenses <i>(excluding finance cost)</i>	61,059	55,869	61,059	54,712	54,712
Finance cost	5,556	6,905	5,556	5,561	5,561
<b>Total operating surplus/(deficit) before tax</b>	<b>8,042</b>	<b>1,617</b>	<b>8,042</b>	<b>11,984</b>	<b>11,984</b>
<b>Other comprehensive revenue and expenditure</b>					
Increase/(decrease) in revaluation reserves	(31)	0	(31)	120	120
Gain on asset revaluation	0	0	0	64,504	64,504
<b>Total other comprehensive revenue and expenditure</b>	<b>(31)</b>	<b>0</b>	<b>(31)</b>	<b>64,624</b>	<b>64,624</b>
<b>Total comprehensive revenue and expenditure for the year</b>	<b>8,011</b>	<b>1,617</b>	<b>8,011</b>	<b>76,608</b>	<b>76,608</b>



## SUMMARY STATEMENT OF CHANGES IN EQUITY

\$000	Council Actual 2017/18	Budget 2017/18	Consolidation Actual 2017/18	Council Actual 2016/17	Consolidation Actual 2016/17
Equity at the beginning of the year	845,741	818,149	845,741	769,133	769,133
Net surplus/(deficit) for the year	8,042	1,617	8,042	11,984	11,984
Other comprehensive income/(loss)	(31)	0	(31)	64,624	64,624
Total comprehensive income for the year	8,011	1,617	8,011	76,608	76,608
<b>Equity at the end of the year comprising:</b>	<b>853,752</b>	<b>819,766</b>	<b>853,752</b>	<b>845,741</b>	<b>845,741</b>
Accumulated balances	415,549	422,150	415,549	415,925	415,925
Restricted and statutory reserves	1,711	1,939	1,711	1,886	1,886
Investment revaluation reserves	196	21	196	227	227
Separate operating reserves	7,373	1,059	7,373	5,673	5,673
Council created reserves	132,305	125,362	132,305	125,522	125,522
Capital replacement reserves	305	439	305	196	196
Asset revaluation reserves	296,313	268,796	296,313	296,313	296,313
<b>Equity at the end of the year</b>	<b>853,752</b>	<b>819,766</b>	<b>853,752</b>	<b>845,741</b>	<b>845,741</b>

## SUMMARY OF STATEMENT OF CASHFLOWS

\$000	Council Actual 2017/18	Budget 2017/18	Consolidation Actual 2017/18	Council Actual 2016/17	Consolidation Actual 2016/17
Net cashflows from operating activities	32,573	13,751	32,573	17,201	17,201
Net cashflows from investing activities	(37,064)	(21,797)	(37,064)	(8,099)	(8,099)
Net cashflows from financing activities	5,406	6,388	5,406	(8,277)	(8,277)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>915</b>	<b>(1,659)</b>	<b>915</b>	<b>825</b>	<b>825</b>

### HOW WE PREPARED THESE STATEMENTS

This summary report has been taken from the South Taranaki District Council 2017/18 Annual Report. The Annual Report, adopted on 8 October 2018, 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 24 October 2018.



# INDEPENDENT AUDITOR'S REPORT

To the readers of South Taranaki District Council's summary of the annual report for the year ended 30 June 2018

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 2018.

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 2018;
- 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 2018;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary description used for 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 accounting 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 2018 in our auditor's report dated 8 October 2018.

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

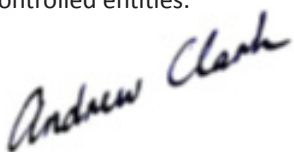
The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

## 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, we have audited the District Council's 2018-28 Long Term Plan, and performed a limited assurance engagement related to the District Council's debenture trust deed. Other than these engagements, we have no relationship with, or interests in the District Council or its subsidiaries and controlled entities.



Andrew Clark,  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand  
24 October 2018