



CLUTHA DISTRICT COUNCIL

Annual Plan 2011/12



Photo by: Miles McVicar

Photo by: Jenni Kini

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Mayor's Introduction

Hello and thank-you for taking interest in our district's 2011/12 Annual Plan.

This is my first Annual Plan as Mayor and the challenges we face on the local, national and international front have only intensified the need to continue to focus on fiscal prudence, and a desire to constantly be willing to change with the times.

The pragmatist in me accepts that while I would have personally desired further reductions in the overall rate requirement, an Annual Plan figure of a 3.25% increase (down from the Long Term Plan's anticipated 8.64% increase) is under the rate of inflation, and a responsible approach from Council as we strive to push our district forward at an affordable pace.

A word of warning though, as the overall figure of 3.25% does not illustrate to some degree the fluctuations in rate demands as we move around the district. The rates change from 2010/11 to 2011/12 will vary depending on which one of the 11 different rating areas you live in.

Rural areas can look forward to a slight rate reduction and Kaitangata and Waihola can look forward to virtually no increase. However, towns that have undertaken significant projects face varying rate increases ranging up to a 9.22% increase on a median property in Lawrence.

Many of these projects like sewage treatment and water upgrades have been forced on us by Central Government, and I applaud the efforts of staff in seeking practical, cost-effective solutions to our district's needs.

Biofiltro Sewage Treatment Plants are a prime example. Kaka Point's anticipated 2011/12 rate increase was 20.6% through traditional methods, but Biofiltro significantly reduced this amount and change for this town is now 7.4%, and we received the maximum 35 year discharge consent, a brilliant outcome, and one we are hoping to replicate in Lawrence, Stirling, Tapanui and Owaka this year.

Various other projects are more at our district's and your community's discretion, some like the Clutha Recreation Centre have been ratified by the previous Council, but payments and the impact on rates commence in the next year.

Bryan Cadogan
Mayor Clutha District



Chief Executive's Summary

Hello and welcome to the Clutha District Council's Annual Plan for 2011/12.

In preparing this plan, Council has been mindful of the current economic climate and the recent weather events which will be constraining the district's economy.

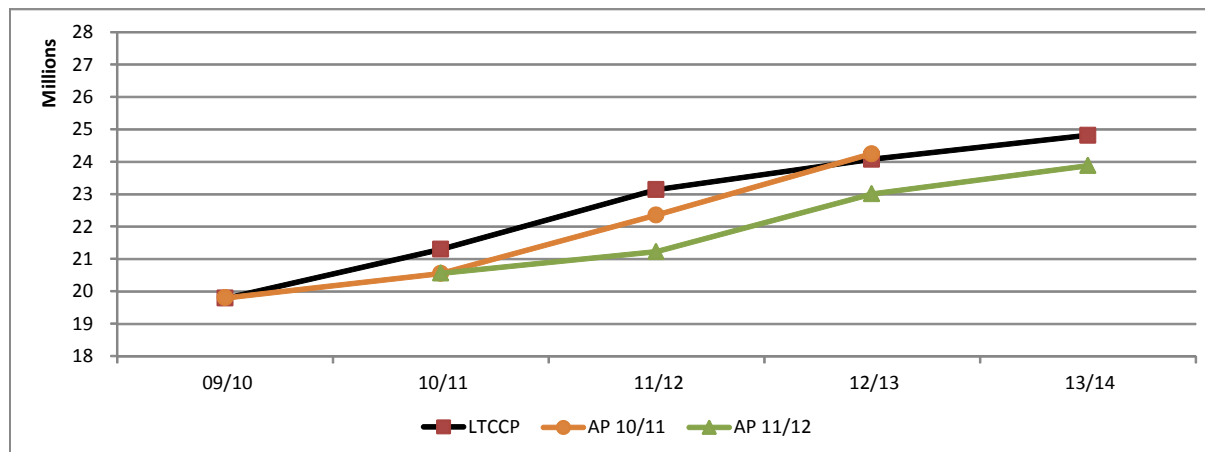
Through the 2009/19 Long Term Plan and 2010/11 Annual Plan, Council put in place some significant projects funded by loans where the principal and interest payments begin this year. These include:

- Clutha Recreation Centre:** This project, being undertaken by a community committee, is due to be completed by about July 2011. Council has provided 50% (up to \$2.5 million) towards the total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the centre.
- Sewage treatment upgrades:** A number of sewerage schemes need upgrades in order to meet more stringent discharge consent conditions. New 35-year consents have been awarded for Kaka Point, Lawrence, Owaka, Stirling and Tapanui. The consents are based on the towns' sewage treatment systems upgrading to a new Biofiltro treatment plant such as the one which has been operating at Kaka Point since the beginning of 2010. The upgrades will have a significant effect on the wastewater rates of these townships. However, the Biofiltro plants provide cheaper solutions than alternatives previously considered and the 35-year consents provide security for the affected townships.
- Water treatment upgrades:** Work will be completed on upgrades to the Balclutha, Kaitangata, Lawrence and Tapanui water supplies. These upgrades received significant capital funding assistance from central government, but the additional operating costs will have some impacts on the township water rates.



Council will also begin rating for the introduction of kerbside recycling, which is now due to begin on 1 April 2012.

The chart below shows the total rates proposed in this annual plan against the estimates developed in the 2009-19 Long Term Plan prepared in 2009 and last year's Annual Plan.



The Annual Plan shows an overall rates requirement of \$21,232,000 an increase of \$672,000 (or 3.25%) on 2010/11. This is substantially less than the 8.64% increase initially forecast in the 2009-19 Long Term Plan, with a \$23,147,000 rate requirement.

One of the major reasons next year's rates requirement is less than forecast in the Long Term Plan is that Council is putting on hold all unsubsidised seal extensions in 2011/12 and will review whether to reintroduce these going forward as part of next year's Long Term Plan process. Sealing gravel roads costs over \$200,000 per kilometre and this type of sealing does not attract any funding assistance from the New Zealand Transport Agency (NZTA).

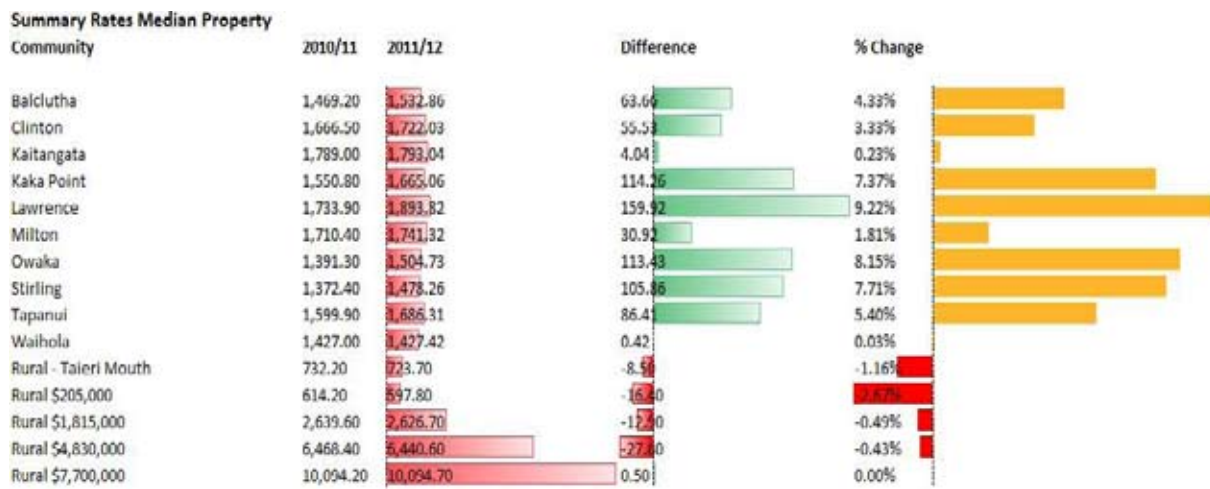
Council will also continue to feel the effects of receiving less NZTA funding assistance than we had previously asked and budgeted for. For residents and ratepayers, this will mean less expenditure on our roads than that recommended in our asset management plans.

Deferring the funding for two major projects - Balclutha Main Street Upgrade and West Otago Health grant has also helped keep this year's rates requirements down.

Before any upgrade of the Balclutha main street can take place, Council first needs to decide on future traffic flow for the township. After some initial consultation last year, Council identified three options for detailed investigation and further consultation which will take place in 2011/12. More information on this is available in the Balclutha Community Summary section of this plan.

Meanwhile, the West Otago Health project is not yet at the point where Council is ready to provide a \$1 million grant as provided for in the 2010/11 Annual Plan. The grant was subject to conditions, in particular that all other funding to meet the full construction costs were to be contractually confirmed, and that all other sources of funding are either interest free loans or grants. As the project is not yet at this point, Council has carried over the grant into the 2011/12 financial year. This means the uniform charge to households in the West Otago Health area of approximately \$88 +GST will not be rated for in 2011/12. And it won't be until the year following when the grant is drawn down on, when affected ratepayers will begin to pay back the loan principal and interest charges needed to fund the grant.

While the overall rates change in the 2011/12 Annual Plan is 3.25%, there are some variations across the different rating areas as indicated in chart below.



Due to the reducing expenditure in roading, most properties in the rural rating area can expect a negligible rates change or even a small decrease.

In townships such as Lawrence and Owaka, however, where major sewage treatment upgrades will be taking place, the rates change for a median property as per the example above is expected to be about 9.22% and 8.15% respectively.

Council is mindful that these are significant increases. However, it is also conscious that delaying necessary upgrades to key infrastructure any further would only prove more expensive in the long term.

Council will continue to investigate options for the most appropriate sewage disposal options for Benhar and Tokoiti, with new schemes to be implemented by 30 June 2012. Consultation will also seek to establish the rating model for the schemes, including Council's preferred method of harmonising about 50% of the capital costs of building the new schemes, as well as the ongoing operating costs.

Charles Hakkaart
Chief Executive

Summary of changes from the Draft Annual Plan

This final Annual Plan adopted by Council includes a number of changes as a result of submissions made to the draft Annual Plan. Of note:

Lawrence Swimming Pool

In the 2009/19 Long Term Plan Council included a provision for rate funding 55% of the proposed Lawrence Community Pool. This was split between the Lawrence Community Services Rate and the Lawrence/Tuapeka Community Board Rate at 25% and 30% respectively. The estimated cost of the pool upgrade has now increased from \$1.57 million to \$1.95 million and Council has agreed to maintain its funding at 55% of this. The pool will add approximately \$58 to rates of those in the Lawrence township and \$75 for those in the remainder of the Lawrence/Tuapeka ward. As the increase is loan funded there will be no rates impact until the year following the raising of the loan.

Benhar and Tokoiti Sewerage

Neither Benhar (near Balclutha) nor Tokoiti (near Milton) currently has a public sewerage system. Most properties have onsite septic tank systems which in many cases are not working properly and discharging at the surface onto neighbouring properties or into waterways.

The draft Annual Plan proposed construction of a \$825,000 grinder pump system in Benhar and a \$575,000 conventional gravity system in Tokoiti. However, Council will continue to investigate options for the most appropriate schemes, in consultation with each community, with new schemes implemented by 30 June 2012.

Council also intends to consult on alternative funding options, including its now preferred method of harmonising about 50% of the capital costs of building the new schemes, as well as the ongoing operating costs. The preferred method would result in an increase in sewerage rates of approximately \$27 +GST in Balclutha, \$9 +GST in Milton and \$11 +GST across other sewerage rates.

Community Summary: Balclutha

What's planned for Balclutha in 2011/12?

Balclutha main street

In the 2009-19 Long Term Plan Council had set aside \$2 million in the 2011/12 financial year to undertake an upgrade of the Balclutha main street. The majority of this expenditure (\$1.5 million) has been deferred to 2012/13 because, before any upgrade can take place, Council first needs to decide on how heavy traffic and State Highway traffic will flow through Balclutha in future, so that the main street upgrade can be designed accordingly. The extent and type of the development on Clyde Street may be limited due to its designation as a State Highway. Any alterations to the State Highway must be approved by the New Zealand Transport Agency. Council is therefore first working through the future traffic flow options for Balclutha before any work begins on improvements to the main street. Council initially identified seven options for the future positioning of the State Highway and heavy traffic bypasses, outlining the advantages and disadvantages of each. After a month-long consultation period last year, Council shortlisted three options - maintaining the status quo or designating either Charlotte or James St as State Highway. It is important to note that in identifying the three options for further research and consultation, Council is still yet to identify its preferred option. Further investigation will include independent research including surveys on possible impacts on community and businesses before putting out a draft report for further public consultation.

Balclutha swimming pool

The Balclutha pool will remain closed until the start of 2012, as a major upgrade takes place. This will include a roof replacement, boiler renewal, changing room refurbishment, improved lighting and pool air heating, pool and pool surround tiling, and beach access to the toddler's pool. The estimated total cost of this project is about \$3.9 million and will be funded by \$500,000 of reserve funds and a loan of \$3.4 million. Under Council's current revenue and funding policy, this loan would add approximately \$63 to \$90 + GST to the Balclutha Community Services rate (depending on property value) and \$11 to the Uniform Annual General Charge. This rates impact, however, will not come into effect until the 2012/13 financial year. Two further components - a therapeutic pool, and a bulkhead that would allow for the main pool to be shortened to 25m for competitive swimming as well as separate the main pool from a new learner's area - will only go ahead if external funding sources can be found. The therapeutic pool and bulk head were identified as desirable by interested groups during consultation on what the upgrade might include, but would have added an additional \$169,000.

Water supply upgrade

Work will be completed on upgrades to Balclutha's water treatment system. This work is due to legislation which requires all drinking water supplies to "take all reasonable practical steps" to comply with the New Zealand Drinking Water Standards 2005. The upgrades will mean the Balclutha water supply should be able to fully comply with the Standards, and will improve the security of supply. Balclutha received 25% government assistance towards \$1.4 million of its water supply upgrade.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed by about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in the Balclutha Ward pay \$34.06 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management, including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 +GST per household per year.

Benhar Sewerage

Council's preferred funding option for Benhar sewerage, which is to be implemented by 30 June 2012, would result in an increase in the Balclutha sewerage rate of approximately \$27+GST from 2012/13 onwards. However, consultation will be undertaken with the affected communities before the funding method is finalised through the 2012/22 Long Term Plan.

How are Balclutha rates expected to change?

(amounts shown are GST exclusive)

Balclutha Rating Area	<i>Example One</i> Land Value: 33,000 Capital Value: 114,000			<i>Example Two</i> Land Value: 44,000 Capital Value: 155,000			<i>Example Three</i> Land Value: 50,000 Capital Value: 210,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	46.40	46.60	57.78	63.10	63.30	78.49	85.50	85.80	106.40
Local Roading	98.60	106.50	126.40	131.40	142.00	168.53	149.30	161.40	191.56
Footpath Rate	18.40	18.60	18.84	18.40	18.60	18.84	18.40	18.60	18.84
Water	193.50	201.00	226.49	193.50	201.00	226.49	193.50	201.00	226.49
Wastewater	179.80	195.20	175.82	179.80	195.20	175.82	179.80	195.20	175.82
Stormwater	104.40	104.30	108.00	104.40	104.30	108.00	104.40	104.30	108.00
Wastewater Upgrade Support	-	0.30	0.53	-	0.40	0.71	-	0.50	0.98
Community Services	157.70	153.00	177.07	210.20	204.10	236.09	238.90	231.90	268.27
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	5.60	5.00	5.24	7.60	6.80	7.20	10.30	9.20	9.69
Recreation Centre	-	34.06	-	-	34.06	-	-	34.06	-
TOTAL	1,365.20	1,427.66	1,480.36	1,469.20	1,532.86	1,604.36	1,540.90	1,605.06	1,690.22
% Change		4.6%*	5.9%**		4.3%*	6.3%**		4.2%*	6.6%**
\$ Change		\$62.46	\$115.16		\$63.66	\$135.16		\$64.16	\$149.32

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was initially projected in the 2009-19 Long Term Plan.

Community Summary: Clinton

What's planned for Clinton in 2011/12?

Charging for half units

During the 2009-19 Long Term Plan process, Council identified that ratepayers in some towns paid half charges where their property can connect on to water or sewerage services, while other towns did not. Council decided that it would be fair to apply half charges to all towns, not just some. In other words, if a property has the ability to hook on to the system, it should pay towards this. This tends to apply to properties without a house or dwelling such as 'Example One' below. Council decided to apply half rates to properties in the Clinton rating area to be phased in over a three year period beginning 2009/10. As can be seen from the rating examples below, the third and final increase will be made in 2011/12 to bring all affected properties up to the half water and sewerage rates.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in the Clinton Ward pay \$17.03 + GST a year from 2011/12.

How are Clinton rates expected to change?

(amounts shown are GST exclusive)

Clinton Rating Area	<i>Example One</i> Land Value: 15,000 Capital Value: 15,000			<i>Example Two</i> Land Value: 15,000 Capital Value: 63,000			<i>Example Three</i> Land Value: 15,000 Capital Value: 93,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	6.10	6.10	7.56	25.60	25.70	31.91	37.90	38.00	47.11
Local Roading	113.90	114.70	143.20	113.90	114.70	143.20	113.90	114.70	143.20
Footpath Rate	18.30	18.60	18.58	18.30	18.60	18.58	18.30	18.60	18.58
Water	151.40	228.30	269.42	451.90	456.50	538.84	451.90	456.50	538.84
Wastewater	108.10	163.40	154.58	322.80	326.80	309.16	322.80	326.80	309.16
Stormwater	-	-	-	83.80	108.20	91.20	83.80	108.20	91.20
Wastewater Upgrade Support	-	-	0.09	-	0.20	0.27	-	0.20	0.44
Community Services	86.30	88.40	94.31	86.30	88.40	94.31	86.30	88.40	94.31
Solid Waste Collection	-	-	-	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	-	-	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	0.70	0.70	0.71	3.10	2.80	2.93	4.60	4.10	4.27
Recreation Centre	-	17.03	-	-	17.03	-	-	17.03	-
TOTAL	893.50	1,029.13	1,097.87	1,666.50	1,722.03	1,814.58	1,680.30	1,735.63	1,831.29
% Change		15.2%*	17.2%**		3.3%*	2.8%**		3.3%*	2.9%**
\$ Change		\$135.63	\$204.37		\$55.53	\$148.08		\$55.33	\$150.99

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Kaitangata

What's planned for Kaitangata in 2011/12?

Water supply upgrade

Physical work will be completed on upgrades to Kaitangata's water treatment system. This work is due to legislation which requires all drinking water supplies to "take all reasonable practical steps" to comply with the New Zealand Drinking Water Standards 2005. Kaitangata received 90% government assistance for its \$307,000 share of the upgrade cost.

Charging for half units

During the 2009-19 Long Term Plan process, Council identified that ratepayers in some towns paid half charges where their property can connect on to water or sewerage services, while other towns did not. Council decided that it would be fair to apply half charges to all towns, not just some. In other words, if a property has the ability to hook on to the system, it should pay towards this. This tends to apply to properties without a house or dwelling. Council decided to apply half rates to properties in the Kaitangata rating area to be phased in over a three year period beginning 2009/10. The third and final increase will be made in 2011/12 to bring all affected properties up to the half water and sewerage rates.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in the Kaitangata-Matau Ward pay \$25.54 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

How are Kaitangata rates expected to change?

(amounts shown are GST exclusive)

Kaitangata Rating Area	<i>Example One</i> Land Value: 13,000 Capital Value: 18,000			<i>Example Two</i> Land Value: 17,000 Capital Value: 52,000			<i>Example Three</i> Land Value: 19,000 Capital Value: 92,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	7.30	7.40	9.16	21.20	21.20	26.31	37.40	37.60	46.58
Local Roading	142.00	142.30	175.82	185.70	186.10	229.96	207.50	208.00	256.98
Footpath Rate	8.20	8.20	8.27	8.20	8.20	8.27	8.20	8.20	8.27
Water	451.20	418.50	477.07	451.20	418.50	477.07	451.20	418.50	477.07
Wastewater	245.60	248.70	233.07	245.60	248.70	233.07	245.60	248.70	233.07
Stormwater	119.20	119.20	123.20	119.20	119.20	123.20	119.20	119.20	123.20
Wastewater Upgrade Support	-	-	0.09	-	0.10	0.27	-	0.20	0.44
Community Services	148.80	153.00	142.93	194.60	200.10	186.93	217.50	223.70	208.89
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	0.90	0.80	0.80	2.50	2.30	2.40	4.50	4.00	4.27
Recreation Centre	-	25.54	-	-	25.54	-	-	25.54	-
TOTAL	1,684.00	1,686.74	1,754.58	1,789.00	1,793.04	1,871.64	1,851.90	1,856.74	1,942.93
% Change		0.2%*	3.4%**		0.2%*	3.8%**		0.3%*	4.0%**
\$ Change		\$2.74	\$70.58		\$4.04	\$82.64		\$4.84	\$91.03

* This figure shows the rates change from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Kaka Point

What's planned for Kaka Point in 2011/12?

Sewerage upgrades

Council has constructed a new Biofiltro Sewage Treatment Plant at Kaka Point. This was required in order to gain a new resource consent for discharging treated sewage to sea via the 180m long outfall pipe. As a result of the construction and subsequent successful operation of the Biofiltro plant, the Otago Regional Council has granted a 35-year discharge consent, which provides long-term security for the township. The Biofiltro system has added a total of about \$160 to the Kaka Point wastewater rate. However, as can be seen from Long Term Plan forecast column in the rating examples, this is significantly less than treatment upgrade options which were previously considered.

Charging for half units

During the 2009-19 Long Term Plan process, Council identified that ratepayers in some towns paid half charges where their property can connect on to water or sewerage services, while other towns did not. Council decided that it would be fair to apply half charges to all towns, not just some. In other words, if a property has the ability to hook on to the system, it should pay towards this. This tends to apply to properties without a house or dwelling. Council decided to apply half rates to properties in the Kaka Point rating area to be phased in over a three year period beginning 2009/10. The third and final increase will be made in 2011/12 to bring all affected properties up to the half water and sewerage rates.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in Kaka Point (which is part of the Balclutha Ward) pay \$34.06 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

How are Kaka Point rates expected to change?

(amounts shown are GST exclusive)

Kaka Point Rating Area	<i>Example One</i> Land Value: 87,000 Capital Value: 150,000			<i>Example Two</i> Land Value: 117,000 Capital Value: 225,000			<i>Example Three</i> Land Value: 160,000 Capital Value: 285,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	61.10	61.30	76.00	91.60	91.90	113.96	116.00	116.40	144.36
Local Roading	84.30	84.90	104.36	113.40	114.20	140.36	155.10	156.10	191.91
Footpath Rate	16.80	17.20	17.16	16.80	17.20	17.16	16.80	17.20	17.16
Water	325.00	352.50	309.16	325.00	352.50	309.16	325.00	352.50	309.16
Wastewater	306.50	355.60	561.42	306.50	355.60	561.42	306.50	355.60	561.42
Stormwater	103.00	102.70	106.49	103.00	102.70	106.49	103.00	102.70	106.49
Wastewater Upgrade Support	-	0.40	0.71	-	0.60	1.07	-	0.70	1.42
Community Services	16.90	17.30	17.24	22.70	23.30	23.29	31.10	31.80	31.82
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	7.40	6.60	6.93	11.00	9.90	10.40	14.00	12.50	13.16
Recreation Centre	-	34.06	-	-	34.06	-	-	34.06	-
TOTAL	1,481.80	1,595.66	1,783.64	1,550.80	1,665.06	1,867.47	1,628.30	1,742.66	1,961.07
% Change		7.7%*	20.6%**		7.4%*	20.2%**		7.0%*	19.8%**
\$ Change		\$113.86	\$301.84		\$114.26	\$316.67		\$114.36	\$332.77

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Lawrence

What's planned for Lawrence in 2011/12?

Sewerage upgrades

Lawrence's sewage treatment system needs a major upgrade due to meet present and future discharge consent limits for dissolved oxygen, biological oxygen demand, suspended solids, and faecal coliforms. The previous consent expired in December 2008 and Council asked for a three-year period of grace to achieve more stringent compliance and consider the various options to achieve this. The Otago Regional Council has now granted a new 35-year discharge consent based on the scheme upgrading to a new Biofiltro sewage treatment plant such as the one which has been operating at Kaka Point since the beginning of 2010. The upgrade is required to meet the new consent conditions and ensure the treated sewage being discharged is of an acceptable quality. The Biofiltro system uses proprietary technology originating from Chile to treat sewage effluent in a small and low-cost plant. The treatment is based on the digestion of the sewage by a bioactive sawdust bed supported by a rock drainage layer. The upgrade to the Biofiltro system is estimated to cost about \$587,000 + GST. This will add about \$135 + GST to the Lawrence wastewater rate in 2011/12. However, as can be seen from Long Term Plan forecast column in the rating examples below, this is significantly less than treatment upgrade options which were previously considered. Council is conscious that these are still significant costs, however the 35-year consent provides security for the Lawrence sewerage scheme into the future.

Water supply upgrade

Physical work will be completed on upgrades to Lawrence's water treatment system. This work is due to legislation which requires all drinking water supplies to "take all reasonable practical steps" to comply with the New Zealand Drinking Water Standards 2005. Lawrence received 90% government assistance for the total \$835,000 upgrade of its water supply. The upgrade work will ensure the Lawrence supply is very close to compliant with the New Zealand Drinking Water Standards 2005, and will enhance the future security of the local supply.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in the Lawrence-Tuapeka Ward pay \$10.22 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

Lawrence Swimming Pool

In the 2009/19 Long Term Plan Council included a provision for rate funding 55% of the proposed Lawrence Community Pool. This was split between the Lawrence Community Services Rate and the Lawrence/Tuapeka Community Board Rate at 25% and 30% respectively. The estimated cost of the pool upgrade has now increased from \$1.57 million to \$1.95 million and Council has agreed to maintain its funding at 55% of this. The pool will add approximately \$58 to rates of those in the Lawrence township and \$75 for those in the remainder of the Lawrence/Tuapeka ward. However, as the increase is loan funded there will be no rates impact until the year following the raising of the loan.

Parks and Reserves

Council's Greenspace (Parks and Reserves) contract has recently been finalised at a significantly lower price than budgeted for. Lawrence's share of the savings have been passed on this year to minimise the rates increase. This does mean, however, that when the rest of the district receives the savings as part of the 2012/22 Long Term Plan, Lawrence will not.

How are Lawrence rates expected to change?

(amounts shown are GST exclusive)

Lawrence Rating Area	<i>Example One</i> Land Value: 24,000 Capital Value: 36,000			<i>Example Two</i> Land Value: 36,000 Capital Value: 125,000			<i>Example Three</i> Land Value: 48,000 Capital Value: 210,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	14.70	14.70	18.22	50.90	51.00	63.29	85.50	85.80	106.40
Local Roading	81.10	80.70	101.42	121.60	121.10	152.18	162.10	161.40	202.93
Footpath Rate	5.60	5.60	5.69	5.60	5.60	5.69	5.60	5.60	5.69
Water	432.30	457.60	487.64	432.30	457.60	487.64	432.30	457.60	487.64
Wastewater	214.30	350.60	429.51	214.30	350.60	429.51	214.30	350.60	429.51
Stormwater	133.90	140.00	137.69	133.90	140.00	137.69	133.90	140.00	137.69
Wastewater Upgrade Support	-	0.10	0.18	-	0.30	0.62	-	0.50	0.98
Community Services	86.70	81.20	103.64	130.00	121.90	155.47	173.40	162.50	207.38
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	1.80	1.60	1.69	6.10	5.50	5.78	10.30	9.20	9.69
Recreation Centre	-	10.22	-	-	10.22	-	-	10.22	-
LT Community Board	78.40	66.90	79.64	78.40	66.90	79.64	78.40	66.90	79.64
TOTAL	1,609.60	1,772.32	1,949.51	1,733.90	1,893.82	2,101.69	1,856.60	2,013.42	2,251.73
% Change		10.1%*	19.3%**		9.2%*	18.8%**		8.4%*	18.4%**
\$ Change		\$162.72	\$339.91		\$159.92	\$367.79		\$156.82	\$395.13

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Milton

What's planned for Milton in 2011/12?

Milton swimming pool

Following consultation with the community, Council has given final approval for a rebuild of the changing rooms at the Milton swimming pool. Based on the approved budget of \$684,000 + GST, the project would cost Milton ratepayers an additional \$34 to \$42 + GST a year, depending on their property value, plus an additional \$2.40 + GST on the Uniform Annual General Charge which is set for all households across the district. This work will be completed in time for the start of the 2011/12 swimming season.

Increased water storage

Council will be spending \$515,000 + GST on increased water storage capacity.

Stormwater

There will be continued improvements to the town's drainage systems.

Sewerage

A project will be undertaken to identify and reduce sources of stormwater entering and overloading the sewerage system.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in Milton (Bruce Ward) pay \$10.22 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

How are Milton rates expected to change?

(amounts shown are GST exclusive)

Milton Rating Area	<i>Example One</i> Land Value: 43,000 Capital Value: 105,000			<i>Example Two</i> Land Value: 48,000 Capital Value: 138,000			<i>Example Three</i> Land Value: 48,000 Capital Value: 175,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	42.70	42.90	53.16	56.20	56.40	69.96	71.20	71.50	88.62
Local Roading	123.50	124.20	149.33	137.90	138.70	166.76	137.90	138.70	166.76
Footpath Rate	30.80	31.30	31.56	30.80	31.30	31.56	30.80	31.30	31.56
Water	393.50	440.10	449.87	393.50	440.10	449.87	393.50	440.10	449.87
Wastewater	234.50	214.80	309.51	234.50	214.80	309.51	234.50	214.80	309.51
Stormwater	138.90	138.90	150.49	138.90	138.90	150.49	138.90	138.90	150.49
Wastewater Upgrade Support	-	0.30	0.53	-	0.30	0.71	-	0.40	0.89
Community Services	135.30	126.60	138.58	151.00	141.40	154.76	151.00	141.40	154.76
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	5.10	4.60	4.89	6.80	6.10	6.40	8.60	7.70	8.09
Recreation Centre	-	10.22	-	-	10.22	-	-	10.22	-
TOTAL	1,665.10	1,697.02	1,872.09	1,710.40	1,741.32	1,924.18	1,727.20	1,758.12	1,944.71
% Change		1.9%*	8.8%**		1.8%*	8.9%**		1.8%*	8.9%**
\$ Change		\$31.92	\$206.99		\$30.92	\$213.78		\$30.92	\$217.51

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Owaka

What's planned for Owaka in 2011/12?

Sewerage upgrades

Owaka's sewage treatment system needs a major upgrade in order to meet new discharge consent conditions. The Otago Regional Council has granted a new 35-year discharge consent based on the scheme upgrading to a new Biofiltro sewage treatment plant such as the one which has been operating at Kaka Point since the beginning of 2010. The upgrade is required to meet the new consent conditions and ensure the treated sewage being discharged is of an acceptable quality. The Biofiltro system uses proprietary technology originating from Chile to treat sewage effluent in a small and low-cost plant. The treatment is based on the digestion of the sewage by a bioactive sawdust bed supported by a rock drainage layer. The upgrade to the Biofiltro system is estimated to cost about \$770,000 + GST. This will add about \$114 + GST to the Owaka wastewater rate in 2011/12. Council is conscious that these are significant costs, however the 35-year consent provides security for the Owaka sewerage scheme into the future.

Owaka public toilets

A budget of \$130,000 has been set aside to upgrade and relocate the Owaka main street public toilets to a more suitable location near the Museum to help manage visitor toilet demand. This project has been deferred until 2012/13 to allow for further consultation with the local community.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in Owaka (The Catlins Ward) pay \$17.03 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

Charging for half units

During the 2009-19 Long Term Plan process, Council identified that ratepayers in some towns paid half charges where their property can connect on to water or sewerage services, while other towns did not. Council decided that it would be fair to apply half charges to all towns, not just some. In other words, if a property has the ability to hook on to the system, it should pay towards this. This tends to apply to properties without a house or dwelling. Council decided to apply half rates to properties in the Owaka rating area to be phased in over a three year period beginning 2009/10. The third and final increase will be made in 2011/12 to bring all affected properties up to the half water and sewerage rates.

How are Owaka rates expected to change?

(amounts shown are GST exclusive)

Owaka Rating Area	<i>Example One</i> Land Value: 27,000 Capital Value: 63,000			<i>Example Two</i> Land Value: 27,000 Capital Value: 102,000			<i>Example Three</i> Land Value: 39,000 Capital Value: 132,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	25.60	25.70	31.91	41.50	41.70	51.64	53.70	53.90	66.84
Local Roading	120.50	121.20	149.42	120.50	121.20	149.42	174.10	175.00	215.82
Footpath Rate	18.40	18.80	18.84	18.40	18.80	18.84	18.40	18.80	18.84
Water	80.90	107.00	123.11	241.50	214.00	246.31	241.50	214.00	246.31
Wastewater	89.20	190.20	130.49	266.30	380.40	261.07	266.30	380.40	261.07
Stormwater	-	-	-	65.00	67.90	74.13	65.00	67.90	74.13
Wastewater Upgrade Support		0.20	0.27	-	0.30	0.53	-	0.30	0.62
Community Services	72.30	75.80	74.04	72.30	75.80	74.04	104.40	109.50	107.02
Solid Waste Collection	-	-	-	152.10	153.20	156.44	-	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	-	-	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	3.10	2.80	2.93	5.00	4.50	4.71	6.50	5.80	6.13
Recreation Centre	-	17.03	-		17.03	-	-	17.03	-
TOTAL	818.70	950.63	940.44	1,391.30	1,504.73	1,464.89	1,338.60	1,605.73	1,580.98
% Change		16.1%*	13.6%**		8.2%*	4.9%**		20.0%*	5.3%**
\$ Change		\$131.93	\$121.74		\$113.43	\$73.59		\$ 267.13	\$242.38

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Stirling

What's planned for Stirling in 2011/12?

Sewerage Upgrades

Stirling's sewage treatment system needs a major upgrade in order to meet new discharge consent conditions. Presently, Stirling's sewage is collected and treated in an oxidation pond situated near Anderson Rd about 350m downstream of the Stirling Bridge to Inch Clutha. The treated effluent from the pond is discharged to the Clutha River immediately adjacent to the pond. The Otago Regional Council has granted a new 35-year discharge consent based on the scheme upgrading to a new Biofiltro sewage treatment plant such as the one which has been operating at Kaka Point since the beginning of 2010. The upgrade is required to meet the new consent conditions and ensure the treated sewage being discharged is of an acceptable quality. The Biofiltro system uses proprietary technology originating from Chile to treat sewage effluent in a small and low-cost plant. The treatment is based on the digestion of the sewage by a bioactive sawdust bed supported by a rock drainage layer. The upgrade to the Biofiltro system is estimated to cost about \$432,000 + GST. This will add about \$45 + GST to the Stirling wastewater rate in 2011/12. Council is conscious that these are significant costs, however the 35-year consent provides security for the Stirling sewerage scheme into the future.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in Stirling (Balclutha Ward) pay \$34.06 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

How are Stirling rates expected to change?

(amounts shown are GST exclusive)

Stirling Rating Area	<i>Example One</i> Land Value: 29,000 Capital Value: 99,000			<i>Example Two</i> Land Value: 33,000 Capital Value: 147,000			<i>Example Three</i> Land Value: 33,000 Capital Value: 220,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	40.30	40.40	50.13	59.80	60.00	74.49	89.50	89.80	111.47
Local Roading	119.90	120.50	166.49	136.40	137.20	189.42	136.40	137.20	189.42
Footpath Rate	9.10	9.20	9.42	9.10	9.20	9.42	9.10	9.20	9.42
Water	250.80	273.80	252.00	250.80	273.80	252.00	250.80	273.80	252.00
Wastewater	336.10	381.50	384.27	336.10	381.50	384.27	336.10	381.50	384.27
Stormwater	-	-	-	-	-	-	-	-	-
Wastewater Upgrade Support	-	0.20	0.44	-	0.40	0.71	-	0.50	1.07
Community Services	10.70	11.00	11.11	12.20	12.50	12.62	12.20	12.50	12.62
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	4.90	4.30	4.53	7.20	6.50	6.76	10.80	9.70	10.13
Recreation Centre	-	34.06	-	-	34.06	-	-	34.06	-
TOTAL	1,332.60	1,438.06	1,462.58	1,372.40	1,478.26	1,513.87	1,405.70	1,511.36	1,554.58
% Change		7.9%*	5.1%**		7.7%*	5.4%**		7.5%*	5.5%**
\$ Change		\$105.46	\$129.98		\$105.86	\$141.47		\$105.66	\$148.88

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Tapanui

What's planned for Tapanui in 2011/12?

West Otago Health

After consultation with affected ratepayers, in 2010/11 Council agreed to a West Otago ratepayer-funded grant of \$1 million for the proposed new West Otago Health facility in Tapanui. The grant was subject to conditions, in particular that all other funding to meet the full construction costs were to be contractually confirmed, and that all other sources of funding are either interest free loans or grants. As the project is not yet at this point, Council has deferred the grant until the 2011/12 financial year. This means the uniform charge to households in the West Otago Health area of approximately \$88 +GST will not be rated for in 2011/12. And it won't be until the year following when the grant is drawn down on, when affected ratepayers will begin to pay back the loan principal and interest charges needed to fund the grant.

Sewerage upgrades

Tapanui's sewage treatment system needs a major upgrade in order to meet new discharge consent conditions. The Otago Regional Council has granted a new 35-year discharge consent based on the scheme upgrading to a new Biofiltro sewage treatment plant such as the one which has been operating at Kaka Point since the beginning of 2010. The upgrade is required to meet the new consent conditions and ensure the treated sewage being discharged is of an acceptable quality. The Biofiltro system uses proprietary technology originating from Chile to treat sewage effluent in a small and low-cost plant. The treatment is based on the digestion of the sewage by a bioactive sawdust bed supported by a rock drainage layer. The upgrade to the Biofiltro system is estimated to cost about \$676,000 + GST. This will add about \$104 + GST to the Tapanui wastewater rate in 2011/12. Council is conscious that these are significant costs, however the 35-year consent provides security for the Tapanui sewerage scheme into the future.

Water supply upgrade

Work will be completed on upgrades to Tapanui's water treatment system. This work is due to legislation which requires all drinking water supplies to "take all reasonable practical steps" to comply with the New Zealand Drinking Water Standards 2005. Tapanui received 80% government assistance for the total \$750,000 upgrade of its water supply.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in Tapanui (West Otago Ward) pay \$3.41 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

Parks and Reserves

Council's Greenspace (Parks and Reserves) contract has recently been finalised at a significantly lower price than budgeted for. Tapanui's share of the savings have been passed on this year to minimise the rates increase. This does mean, however, that when the rest of the district receives the savings as part of the 2012/22 Long Term Plan, Tapanui will not.

How are Tapanui rates expected to change?

(amounts shown are GST exclusive)

Tapanui Rating Area	<i>Example One</i> Land Value: 14,000 Capital Value: 68,000			<i>Example Two</i> Land Value: 17,000 Capital Value: 110,000			<i>Example Three</i> Land Value: 17,000 Capital Value: 160,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	27.70	27.80	34.49	44.80	44.90	55.73	65.10	65.30	81.07
Local Roading	83.30	81.90	108.62	101.20	99.40	131.91	101.20	99.40	131.91
Footpath Rate	9.10	9.30	9.24	9.10	9.30	9.24	9.10	9.30	9.24
Water	451.50	457.60	473.60	451.50	457.60	473.60	451.50	457.60	473.60
Wastewater	152.70	257.20	162.13	152.70	257.20	162.13	152.70	257.20	162.13
Stormwater	133.90	137.70	137.69	133.90	137.70	137.69	133.90	137.70	137.69
Wastewater Upgrade Support	-	0.20	0.36	-	0.30	0.53	-	0.40	0.80
Community Services	64.30	45.70	65.33	78.10	55.50	79.29	78.10	55.50	79.29
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	3.30	3.00	3.11	5.40	4.80	5.07	7.80	7.00	7.38
Recreation Centre	-	3.41	-	-	3.41	-	-	3.41	-
WO Community Board	62.40	53.10	64.80	62.40	53.10	64.80	62.40	53.10	64.80
TOTAL	1,549.00	1,640.01	1,643.56	1,599.90	1,686.31	1,704.18	1,622.60	1,709.01	1,732.09
% Change		5.9%*	4.8%**		5.4%*	5.0%**		5.3%*	5.1%**
\$ Change		\$91.01	\$94.56		\$86.41	\$104.28		\$86.41	\$109.49

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Waihola

What's planned for Waihola in 2011/12?

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in Waihola (Bruce Ward) pay \$10.22 + GST a year from 2011/12.

Kerbside recycling

In the 2009-19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

Consultation on Kilgour Street Footpath

Council will be undertaking survey and design work for potential footpath construction in Kilgour street in 2012/13, subject to consultation with the Waihola community.

How are Waihola rates expected to change?

(amounts shown are GST exclusive)

Waihola Rating Area	<i>Example One</i> Land Value: 81,000 Capital Value: 87,000			<i>Example Two</i> Land Value: 86,000 Capital Value: 170,000			<i>Example Three</i> Land Value: 105,000 Capital Value: 240,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	35.40	35.50	44.09	69.20	69.40	86.13	97.70	98.00	121.60
Local Roading	79.70	78.80	98.93	84.60	83.70	105.07	103.30	102.20	128.27
Footpath Rate	14.60	14.60	15.02	14.60	14.60	15.02	14.60	14.60	15.02
Water	322.40	324.40	335.73	322.40	324.40	335.73	322.40	324.40	335.73
Wastewater	310.40	296.80	317.69	310.40	296.80	317.69	310.40	296.80	317.69
Stormwater	-	-	-	-	-	-	-	-	-
Wastewater Upgrade Support	-	0.20	0.44	-	0.40	0.80	-	0.60	1.16
Community Services	53.40	53.90	56.89	56.70	57.30	60.36	69.20	69.90	73.69
Solid Waste Collection	152.10	153.20	156.44	152.10	153.20	156.44	152.10	153.20	156.44
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	18.00	18.31	-	18.00	18.31	-	18.00	18.31
Planning & Regulatory	4.30	3.80	4.00	8.30	7.50	7.82	11.80	10.50	11.11
Recreation Centre	-	10.22	-	-	10.22	-	-	10.22	-
TOTAL	1,381.00	1,381.32	1,456.98	1,427.00	1,427.42	1,512.80	1,490.20	1,490.32	1,588.44
% Change		0.0%*	3.9%**		0.0%*	4.1%**		0.0%*	4.4%**
\$ Change		\$0.32	\$75.98		\$0.42	\$85.80		\$0.12	\$98.24

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Community Summary: Rural Clutha District

What's planned for the rural Clutha District in 2011/12?

Reduced roading assistance

As part of the most recent National Land Transport Programme, the New Zealand Transport Authority (NZTA) decided to provide us with considerably less assistance than we had asked and budgeted for. Council has decided that where the NZTA has provided less funding than anticipated, it will not go ahead with the portion of the non-funded work, thus saving the Council share and that it would pass this "saving" onto ratepayers. In the medium to long term, less expenditure on our roads than that recommended in our asset management plan will have an effect on our roading levels of service.

Seal extensions suspended

In the last Long Term Plan, Council decided to put its rural extension seal programme on hold for two years (2009/10 and 2010/11) in order to minimise the overall rates cost by 1.5%. It has decided to again put rural seal extensions on hold for 2011/12 and review whether to reintroduce these going forward as part of next year's Long Term Plan process. Sealing gravel roads costs over \$200,000 a kilometre, and this type of sealing does not attract any funding assistance from the New Zealand Transport Agency.

Clutha Recreation Centre

This project, being undertaken by a community committee, is due to be completed about July 2011. Council has provided 50% (up to \$2.5 million) towards a total project cost of about \$5 million. Council's contribution will be funded by a system in which ratepayers in different electoral wards pay a uniform amount based on their proximity to the Centre. This will see ratepayers in the Balclutha Ward pay \$34.06 + GST, Kaitangata-Matua/Clutha Valley Wards \$25.54 + GST, Catlins / Clinton Wards \$17.03 + GST, Bruce/Lawrence-Tuapeka Wards \$10.22 + GST, and West Otago Ward \$3.41 + GST a year from 2011/12.

West Otago Health

After consultation with affected ratepayers, in 2010/11 Council agreed to a West Otago ratepayer-funded grant of \$1 million for the proposed new West Otago Health facility in Tapanui. The grant was subject to conditions, in particular that all other funding to meet the full construction costs were to be contractually confirmed, and that all other sources of funding are either interest free loans or grants. As the project is not yet at this point, Council has deferred the grant until the 2011/12 financial year. This means the uniform charge to households in the West Otago Health area of approximately \$88 + GST will not be rated for in 2011/12. And it won't be until the year following when the grant is drawn down on, when affected ratepayers will begin to pay back the loan principal and interest charges needed to fund the grant.

Kerbside recycling

In the 2009/19 Long Term Plan, Council included the introduction of kerbside recycling from the start of the 2011/12 year. This has been deferred until 1 April 2012 to give Council time to tender a new contract for Solid Waste Management including kerbside recycling. The intention is that the kerbside recycling collection will be an additional wheelie bin that would be collected fortnightly. Part of the additional cost would be offset by reducing the waste collection service from a weekly to a fortnightly service. These collections would alternate with residents still putting out one wheelie bin each week. Glass would be excluded given the significant increased cost implications for the kerbside collection of glass - either for the extra collection cost, higher sorting costs or for lower rebates. Drop-off facilities for glass will remain in place, however, at Balclutha, Lawrence, Milton and Tapanui, and Council could look at providing further drop-off facilities for glass around the district. It is estimated the kerbside recycling service will cost an additional \$28-\$37 + GST per household per year.

Lawrence Swimming Pool

In the 2009/19 Long Term Plan Council included a provision for rate funding 55% of the proposed Lawrence Community Pool. This was split between the Lawrence Community Services Rate and the Lawrence-Tuapeka Community Board Rate at 25% and 30% respectively. The estimated cost of the pool upgrade has now increased from \$1.57 million to \$1.95 million and Council has agreed to maintain its funding at 55% of this. The pool would add approximately \$58 a year to the Lawrence Community Services Rate and \$75 to the Lawrence-Tuapeka Ward Rate. However, as the increase is loan funded there will be no rates impact until the year following the raising of the loan.

Benhar and Tokoiti Sewerage

Neither Benhar (near Balclutha) nor Tokoiti (near Milton) currently has a public sewerage system. Most properties have onsite septic tank systems which in many cases are not working properly and discharging at the surface onto neighbouring properties or into waterways.

The estimated costs of the systems that were proposed in the Draft Annual Plan were \$825,000 for a grinder pump system in Benhar and \$575,000 for a conventional gravity system in Tokoiti. However, Council will continue to investigate options for the most appropriate schemes, in consultation with each community, with new schemes implemented by 30 June 2012.

Council also intends to consult on alternative funding options, including its now preferred method of harmonising about 50% of the capital costs of building the new schemes, as well as the ongoing operating costs.

The new preferred 'two-stage harmonisation' method would reduce the estimated Benhar total annual sewer rate (based on the systems outlined above) from \$1,714 to \$992, and for Tokoiti from \$1,780 to \$1,018. In doing so, it would also increase the Balclutha sewer rate by \$27, Milton by \$9 and the remaining sewerage schemes by about \$11 a year.

Consultation over the next 12 months will also:

- Identify targeted rating areas for sewage disposal in Benhar and Tokoiti to be included in the next Long Term Plan.
- Seek to confirm Council's preference of harmonising about 50% of capital costs, as well as operating costs, for the Benhar and Tokoiti schemes in the next Long Term Plan (thus approximately halving the capital costs involved for these communities).
- Seek to include a policy in the next Long Term Plan to allow postponement of Benhar or Tokoiti sewerage capital rates on the basis of financial hardship to the ratepayer.

Note: The rating examples on the following pages give an overview of rates for those in the rural rating area. Services in the table below need to be added to these overviews to get a fuller picture of overall rates on a property-by-property basis.

Rural Water Scheme Charges (excluding GST)			
Area	\$ Cost Per Unit	Area	\$ Cost Per Unit
Balmoral 1	170.20	Richardson	180.20
Balmoral 2	160.70	South Bruce	140.20
Clydevale/Pomahaka	310.20	Tuapeka	239.70
Glenkenich	153.10	Waipahi	273.50
Moa Flat	124.10	Wangaloa	245.00
North Bruce	163.30		
Community Boards Charge (excluding GST)			
Lawrence/Tuapeka	66.90	Per separately used or inhabited part of a rating unit (SUIP)	
West Otago	53.10		
Solid Waste Collection Charge (excluding GST)			
Solid Waste Collection Charge (excluding GST)	153.20	Cost per wheelie bin	
Recycling Collection Charge (excluding GST)			
Recycling Collection Charge (excluding GST)	18.00	Cost per wheelie bin	

How are Rural rates expected to change?

Rural Examples (amounts shown are GST exclusive)

Rural Rating Area	Example One Land Value: 120,000 Capital Value: 205,000			Example Two Land Value: 1,500,000 Capital Value: 1,815,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	83.40	83.70	103.82	738.70	741.20	919.56
Local Roading	105.60	106.20	130.84	1,319.90	1,327.90	1,635.64
Footpath Rate	-	-	-	-	-	-
Water	varies	varies	varies	varies	varies	varies
Wastewater	-	-	-	-	-	-
Stormwater	-	-	-	-	-	-
Wastewater Upgrade Support	-	0.50	0.98	-	4.50	8.80
Community Services	6.50	6.50	6.31	83.40	81.50	78.40
Solid Waste Collection	-	-	-	-	-	-
Waste Minimisation	21.60	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	-	-	-	-	-
Planning & Regulatory	10.00	9.00	9.51	88.90	79.70	83.91
Recreation Centre	-	varies	-	-	varies	-
TOTAL	614.20	597.80	660.89	2,639.60	2,626.70	3,135.73
% Change		-2.7%*	3.8%**		-0.5%*	10.5%**
\$ Change		-\$16.40	\$46.69		-\$12.90	\$496.13

Rural Rating Area	Example Three Land Value: 4,100,000 Capital Value: 4,830,000			Example Four Land Value: 6,600,000 Capital Value: 7,700,000		
	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast	2010/11 Actual	2011/12 AP Budget	2011/12 LTCCP Forecast
UAGC	387.10	384.40	402.31	387.10	384.40	402.31
District Roading	1,965.80	1,972.40	2,447.11	3,133.90	3,144.40	3,901.24
Local Roading	3,607.60	3,629.60	4,470.67	5,807.30	5,842.70	7,196.62
Footpath Rate	-	-	-	-	-	-
Water	varies	varies	varies	varies	varies	varies
Wastewater	-	-	-	-	-	-
Stormwater	-	-	-	-	-	-
Wastewater Upgrade Support		11.90	23.38		19.00	37.24
Community Services	228.00	222.70	214.31	367.00	358.50	344.89
Solid Waste Collection	-	-	-	-	-	-
Waste Minimisation	43.20	7.50	7.11	21.60	7.50	7.11
Recycling Collection	-	-	-	-	-	-
Planning & Regulatory	236.70	212.10	223.29	377.30	338.20	356.00
Recreation Centre	-	varies	-	-	varies	-
TOTAL	6,468.40	6,440.60	7,788.18	10,094.20	10,094.70	12,245.42
% Change		-0.4%*	11.6%**		0.0%*	11.9%**
\$ Change		-\$427.80	\$1,319.78		\$0.50	\$2,151.22

* This figure shows the rates increase from 2010/11 to 2011/12.

** This figure shows the rates increase from 2010/11 to 2011/12 which was projected in the 2009-19 Long Term Plan.

Working Towards District Directions Outcomes

Table: Linking Council Activities with District Directions Community Outcomes

Outcome	1	2	3	4	5	6	7
Council Activity	Working towards a safer, healthier community	Ensuring our economy grows and diversifies	Plenty to see and do	Sustainable environment living up to clean, green image	Education, training and lifelong learning opportunities	Strong, positive and enterprising communities	Providing the infrastructure we need to move forward
Associated Wellbeing/s	Social	Economic	Social - Cultural	Environmental	Social-Cultural	Social-Cultural	Economic
Community Leadership							
Governance	X	X	X	X	X	█	█
District Development		█			X		
Community Support	X	X	X	X	X	█	X
Roading Services							
Roading	X						█
Water Services							
Water Supply	X	X					█
Sewerage				█			X
Stormwater				█			X
Sanitary Services							
Waste Management				█			
Public Conveniences	X			█			X
Cemeteries							
Community Services							
Library/Service Centre/ Information Services			█		X		
Swimming Pools			█		X		
Parks, Reserves & Sportsgrounds			█		X		
Halls & Community Centres			█			X	
Community Housing & Other Property	█						
Regulatory Services							
Resource Management		X		█			
Animal Control	█						
Environmental Health	█						
Building Control	█						
Liquor Licensing	█						
Emergency Services							
Civil Defence	█					X	
Rural Fire	█					X	

COUNCIL ACTIVITIES

Key: District Directions community outcome the activity primarily contributes to.
 District Directions community outcome the activity makes a secondary contribution to.

Community Leadership

ACTIVITY GROUP	ACTIVITY
 COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
ROADING SERVICES	<ol style="list-style-type: none"> 1. Roading
WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
SANITARY SERVICES	<ol style="list-style-type: none"> 1. Waste Management 2. Public Conveniences 3. Cemeteries
COMMUNITY SERVICES	<ol style="list-style-type: none"> 1. Library/Service Centres/Information Services 2. Swimming Pools 3. Parks, Reserves & Sportsgrounds 4. Halls & Community Centres 5. Community Housing & Other Property
REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire

Community Leadership

What we do

GOVERNANCE, which involves:

- Providing representation of residents and ratepayers through an elected Mayor, and 14 councillors from the district’s eight wards - Balclutha, Bruce, Catlins, Clinton, Clutha Valley, Kaitangata-Matau, Lawrence-Tuapeka and West Otago. There are also community boards for Lawrence-Tuapeka and West Otago, each consisting of six members.
- Providing leadership by setting priorities and making decisions on the scope and levels of service for Council services and activities.
- Overseeing the performance of Council activities and assets to ensure the best operation, maintenance and use of community resources.
- Representing the views and needs of the district by way of submissions and lobbying to Central Government and other agencies on issues affecting residents of the Clutha District.

DISTRICT DEVELOPMENT, which involves:

- Promoting and supporting our business, agricultural and forestry sectors.
- Building pride in our district, and telling the world about it. Not only promoting the district as a tourism destination, but also ‘promoting ourselves to ourselves’.
- Promoting youth development

COMMUNITY SUPPORT , which involves:

- Providing financial and non-financial assistance to a range of community groups and organisations.

Why we do it

Council is involved in these activities to help our district and its communities develop and move forward. Decisions are made in the interests of the whole of the district, often with future generations in mind. Key pieces of legislation include the Local Government Act 2002 and the Local Electoral Act 2001. Community outcomes that Community Leadership primarily contribute towards are highlighted in the diagram below.

How Community Leadership Links With District Directions Outcomes



COUNCIL ACTIVITIES

What's planned for Community Leadership during 2011/12?

Governance

- A full review of representation arrangements for the Clutha District will be undertaken this year. The review, a six-yearly requirement of the Local Electoral Act 2001, will see various questions and options being investigated. It will involve two rounds of public consultation to gain residents views on the best arrangements going forward that fit within the parameters of what the legislation allows.
- After consultation with affected ratepayers, in 2010/11 Council agreed to a West Otago ratepayer-funded grant of \$1 million for the proposed new West Otago Health facility in Tapanui. The grant was subject to conditions, in particular that all other funding to meet the full construction costs were to be contractually confirmed, and that all other sources of funding are either interest free loans or grants. As the project is not yet at this point, Council has carried over the grant into the 2011/12 financial year. This means the uniform charge to households in the West Otago Health area of approximately \$88 + GST will not be rated for in 2011/12. And it won't be until the year following when the grant is drawn down on, when affected ratepayers will begin to pay back the loan principal and interest charges needed to fund the grant.
- A significant amount of time for elected members and staff will be involved in the development of 2012-22 Long Term Plan, to take effect from 1 July 2012.
- Council will continue to advocate on behalf of our communities to Central Government and its organisations. It's important these organisations understand the full impact of policies and procedures on rural and small communities within our district.

District Development

- Continued support for the agricultural, forestry and business sectors of the district, via the Clutha Agricultural Board and Enterprise Clutha.
- Continued support for community and youth development initiatives, including the Clutha District Youth Council, 'Making a Difference' programme and community coordinator role.
- During the year a review of the District Development Board is planned, to help set directions and make decisions going forward relating to the 2012/22 Long Term Plan period.

Service changes for Community Leadership during 2011/12

- No changes are programmed for levels of service to this area in 2011/12.

Community Support Grants

- Continuation of the grants for 2011/12 as set out in the 2009/19 Long Term Council Community Plan, as tabled below.

Group/organisation	2011/12
South Otago Historical Society - Museum Curator (contract)	30,300
Tuapeka Community Company - Lawrence Information Centre (contract) ¹	28,142
Catlins Historical Society - Owaka Information Centre Support (contract) ¹	20,465
Milton Information Centre (contract) ¹	11,495
Gore Womens Refuge (contract)	8,084
South Otago Historical Society Grant ²	30,276
Tokomairiro Historical Society Grant ²	
Tuapeka Goldfields Museum Grant ²	
Catlins Historical Society Grant ²	
West Otago Vintage Club Grant ²	
Kaitangata Black Gold Heritage Museum Grant ²	
Council Fees Reimbursement Scheme ³	15,855
Council Property Rent Assistance ⁴	5,814
Sport Clutha Grant	42,280
Kaka Point Surf Life Saving Grant	13,424
Clean Air Warm Homes	31,710
South Otago Victim Support Grant	1,057
District Swimming Pools ⁵	26,425
Heartland Life Education Trust ⁶	4,651
Clutha Super Masters Game Grant	500
Street Decorations Fund ⁷	5,814
Otago Museum Levy ⁸	188,146
Tuapeka Bursary Fund ⁹	3,000
Black Gold Kai Club	1,696

¹ Funding for contracted community-run info centre services.

² Grants towards operating costs for the various museums throughout the district.

³ Council scheme which reimburses Council-related fees and charges to community groups and volunteers for their community activities.

⁴ Council scheme which reimburses community groups for renting/leasing Council land and buildings.

⁵ Grants for various community pools throughout the district.

⁶ Grant towards the Trust which provides a drug education programme for young people.

⁷ Fund for community groups doing street decoration projects.

⁸ Compulsory levy for Otago Museum.

⁹ Bursary for students from the former Tuapeka County area who are studying towards a tertiary qualification.

What we're aiming for (LEVEL OF SERVICE AND PERFORMANCE TARGETS)

District Development

Well-being: Economic

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Ensuring our economy grows and diversifies	To support the district's agricultural industry	To provide services and information supporting the Clutha District's agricultural sector, through its contractor, the Clutha Agricultural Development Board	Biennial report provided on the state of the District's agricultural sector	Report Provided	Report to be provided		
			Number of projects undertaken that support excellence in ag business and land management practices	3	2	2	2
			Number of participants in programmes offered to showcase employment opportunities in the Clutha District	50	50	50	50
			Number of networking events held dealing with topical farming subjects	3	2	2	2
Ensuring our economy grows and diversifies	To support business in the district	To provide business support and development services, through its contractor, Enterprise Clutha	Annual report on businesses in the Clutha District	Report Provided	Report Provided	Report Provided	Report Provided
			Number of potential new businesses assisted	21	15	15	15
			Number of businesses assisted through the business mentoring programme	6	10	10	10
			Number of small to medium enterprises involved in the visitation/referral/follow-up service	216	50	50	50

District Development
Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
Encouraging strong, positive, and enterprising communities	Youth development	To support the development of youth in the District	Number of youth who have participated in an Enterprise Clutha-provided careers programme	09/10 <i>(actual)</i>	10/11	11/12	12/13 18/19
				702	200	200	200

COUNCIL
ACTIVITIES

Governance
Well-being: Social

<p>PRIMARY COMMUNITY OUTCOME</p> <p>Encouraging strong, positive, and enterprising communities</p>	<p>COUNCIL OBJECTIVE</p> <p>For elected members to represent the district and their community</p>	<p>WHAT COUNCIL PROVIDES (Level of Service)</p> <p>For elected members to provide a high level of participation in decision-making</p>	<p>PERFORMANCE MEASURE</p> <p>Satisfaction with decision-making, leadership and planning by elected members</p> <p>Satisfaction with overall performance of the Clutha District Council</p>	<p>WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)</p> <table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>60%</td> <td>53%</td> <td>54%</td> <td>60%</td> </tr> <tr> <td>64%</td> <td>59%</td> <td>60%</td> <td>65%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	60%	53%	54%	60%	64%	59%	60%	65%
09/10 (actual)	10/11	11/12	12/13 18/19													
60%	53%	54%	60%													
64%	59%	60%	65%													
<p>PRIMARY COMMUNITY OUTCOME</p> <p>Encouraging strong, positive, and enterprising communities</p>	<p>COUNCIL OBJECTIVE</p> <p>To encourage community participation in local government decision-making</p>	<p>WHAT COUNCIL PROVIDES (Level of Service)</p> <p>To make council information readily available and to keep residents and ratepayers well informed</p>	<p>PERFORMANCE MEASURE</p> <p>Residents who see or read the 'Council News' newsletter</p>	<p>WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)</p> <table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>94%</td> <td>75%</td> <td>75%</td> <td>75%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	94%	75%	75%	75%				
09/10 (actual)	10/11	11/12	12/13 18/19													
94%	75%	75%	75%													

Cost of Service Statement - *Community Leadership*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Governance	817	1,289	1,418	-129	
West Otago Health	1,004	-	1,023	-1,023	1
District Development	686	608	656	-48	
Community Support	498	531	524	7	
Operating Costs	3,005	2,428	3,623	-1,195	
Activity Income					
Fees/Charges	25	-	26	26	
Subsidies and Grants	-	-	-	-	
Other Income	-	-	-	-	
Net Cost of Service	2,980	2,428	3,597	-1,169	
Capital Expenditure					
-New Capital	-	-	-	-	
-Renewals	-	-	-	-	
Internal Debt Repayment	5	-	20	-20	
Capital and Debt Repayment	5	-	20	-20	
Funding Required	2,985	2,428	3,617	-1,189	
Funded By:-					
Rate Income					
-General Rates	1,845	1,811	1,893	-82	
-Targeted Rates	107	110	89	21	
Internal Loans	1,000	498	1,638	-1,140	
Reserves and Future Surpluses	-17	-	-2	2	
-Depreciation	-	-	-	-	
-Special Funds	50	9	-1	10	
Total Funding	2,985	2,428	3,617	-1,189	

Note 1: This variation is due to the carry over of the West Otago Health grant from 2010/11 to 2011/12.

Cost of Service Statement - *Central Administration*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Operational Costs	587	713	493	220	
Internal Interest	-	-	49	-49	
Depreciation	148	151	151	-	
Operating Costs	735	864	693	171	
Activity Income					
Fees/Charges	218	362	260	-102	
Subsidies and Grants	-	-	-	-	
Other Income	-	-	-	-	
Net Cost of Service	517	502	433	69	
Capital Expenditure					
-New Capital	-	106	-	106	
-Renewals	353	116	270	-154	
Internal Debt Repayment	15	16	29	-13	
Capital and Debt Repayment	368	238	299	-61	
Funding Required	885	740	732	8	
Funded By:-					
Rate Income					
-General Rates	394	402	402	-	
-Targeted Rates	-	-	-	-	
Internal Loans	-	-	79	-79	
Reserves and Future Surpluses	136	68	-58	126	
-Depreciation	353	264	301	-37	
-Special Funds	2	6	8	-2	
Total Funding	885	740	732	8	

Roading

ACTIVITY GROUP	ACTIVITY
COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
 ROADING SERVICES	<ol style="list-style-type: none"> 1. Roothing
WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
SANITARY SERVICES	<ol style="list-style-type: none"> 1. Waste Management 2. Public Conveniences 3. Cemeteries
COMMUNITY SERVICES	<ol style="list-style-type: none"> 1. Library/Service Centres/Information Services 2. Swimming Pools 3. Parks, Reserves & Sportsgrounds 4. Halls & Community Centres 5. Community Housing & Other Property
REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire

COUNCIL
ACTIVITIES

Roading

What we do

Within the Clutha District, roads are managed by two separate roading authorities. The New Zealand Transport Agency takes care of the State Highways, while Clutha District Council maintains all other roads, known as local roads.

With a total roading network of 2,910 km, the Clutha District has the second largest local roading network in New Zealand. Of that 2,910km, 28% (809km) is sealed and 72% (2,083km) is unsealed. Rural roads make up 95% of the total network.

The roading assets administered by the Council include more than just roads. There are also footpaths, bridges, streetlights and other assets that are associated with roads. The table below illustrates the main features of the roading network:

Overview of the Roding Network (2009) ¹	
Population Served (2006)	16,893
Sealed Roads	809km
Unsealed Roads	2,083km
Surface Water Channels (includes Kerb & Channel)	153km
Footpaths	139km
Street Lights	1,654
Bridges and Bridge Culverts	361
Signs	12,278
Railings	16km

¹ Source: Clutha District Council 2009 Roding Infrastructure Asset Valuation (September 2009)

Main roading tasks include road, bridge and culvert maintenance and replacement; resealing and rehabilitating sealed roads; grading and metalling of unsealed roads; footpath maintenance and construction; car park maintenance, street lighting and road safety improvement projects. The total replacement cost for these assets is \$902 million¹.

The majority of Council's roading activities are financially assisted by the New Zealand Transport Agency (NZTA). For 2011/12 this is at a rate of 60% assistance. This means that local ratepayers fund 40% of the bulk of the costs of local roads. Design and maintenance standards are defined by the NZTA for subsidised roading work and are used, along with the Council's own guidelines, for non-subsidised work. In order for Council to qualify for financial assistance from NZTA these standards must be met.

Not all roading activities are eligible for financial assistance, for example at the moment there is no assistance for footpath renewals.

Why we do it

Council considers that the provision of land transport services is a core function of the local government. The activity is assessed as having mainly public benefits that assist in promoting the economic, social, environmental and cultural wellbeing of the district's various communities, by helping to facilitate the safe and efficient movement of people and goods throughout the District.

How Roading links with District Directions Community Outcomes



What's planned for Roading during 2011/12?

- Ongoing pothole repairs for sealed roads and grading and metalling of unsealed roads. There is also maintenance of bridges and culverts, road shoulders, signs, streetlights, along with street cleaning, vegetation control, snow clearing and ice control.
- Continuation of the forward works programme for reseals and pavement rehabilitation. Details of the areas for 2011/12 are over the page.
- Continued construction of new footpaths and footpath renewal works.
- Continuing with road safety engineering projects (called minor improvements), to help make the roads safer.
- Once all the relevant information is available, a decision will be made on the future of the Clydevale Bridge.
- Consulting and progressing the Balclutha traffic study in preparation for the Balclutha main street/streetscape improvements (Refer to the Balclutha rating section of this plan for further details).
- Continuing to advocate for optimal funding assistance for roading from Central Government.
- Consultation with the Waihola community on a potential footpath for Kilgour Street.

Service changes for Roading during 2011/12

- A reduction in the amount of assistance expected from NZTA will impact on Clutha's roading programme.
- Council has made a decision not to resume non-subsidised seal extensions.
- Refer to the Rural rating section of this plan for further details about the above changes.

What We're Aiming For (LEVEL OF SERVICE AND PERFORMANCE TARGETS)

Roading

Well-being: Economic

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Providing the infrastructure we need to move forward	Provide and maintain the local roading network	To provide an effective and safe roading and footpath network	Residents satisfied local roads are an effective means of transport	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>56%</td> <td>60%</td> <td>60%</td> <td>60%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	56%	60%	60%	60%
			09/10 (actual)	10/11	11/12	12/13 18/19						
56%	60%	60%	60%									
Residents satisfied with footpaths	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>40%</td> <td>41%</td> <td>50%</td> <td>60%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	40%	41%	50%	60%			
09/10 (actual)	10/11	11/12	12/13 18/19									
40%	41%	50%	60%									
Providing the infrastructure we need to move forward	Provide and maintain the local roading network	To maintain and improve roads and footpaths	% of km travelled on sealed roads considered to be smooth (urban)	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>89%</td> <td>91%</td> <td>91%</td> <td>91%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	89%	91%	91%	91%
			09/10 (actual)	10/11	11/12	12/13 18/19						
			89%	91%	91%	91%						
			% of km travelled on sealed roads considered to be smooth (rural)	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>99%</td> <td>99%</td> <td>99%</td> <td>99%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	99%	99%	99%	99%
09/10 (actual)	10/11	11/12	12/13 18/19									
99%	99%	99%	99%									
Length of seal extensions (metres)	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0</td> <td>0</td> <td>1,600</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	0	0	0	1,600			
09/10 (actual)	10/11	11/12	12/13 18/19									
0	0	0	1,600									
Average number of times unsealed roads are graded annually	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>3.4</td> <td>3.3</td> <td>3.3</td> <td>3.3</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	3.4	3.3	3.3	3.3			
09/10 (actual)	10/11	11/12	12/13 18/19									
3.4	3.3	3.3	3.3									
Providing the infrastructure we need to move forward	Provide and maintain the local roading network	To deliver capital projects meeting NZTA delivery requirements	Capital projects completed within timeframes and budgets in compliance with NZTA requirements	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	100%	100%	100%	100%
			09/10 (actual)	10/11	11/12	12/13 18/19						
100%	100%	100%	100%									
Customer requests for service responded by Council within 10 working days	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>92%</td> <td>90%</td> <td>90%</td> <td>90%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	92%	90%	90%	90%			
09/10 (actual)	10/11	11/12	12/13 18/19									
92%	90%	90%	90%									

Roading

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Working towards a safer and healthier community	Provide and maintain the local roading network	To monitor safety and invest in improving safety of the road network	% of budget spent on road safety improvements	6%	8%	8%	8%
			Number of reported injury crashes on local roads	45	41	40	40
			Proportion of footpath service requests that are safety-related	30%	38%	36%	35%

Proposed Major Capital Projects - *Roading Services*

PROJECT	COST (\$000)
BALCLUTHA MAIN STREET	500
FOOTPATH IMPROVEMENTS	1,151
MINOR IMPROVEMENT PROJECTS	977
PAVEMENT REHABILITATION	2,538
RESEALS	2,401

PROPOSED PAVEMENT REHABILITATION FOR 2011/12 (Physical works)

ROAD	LENGTH (m)	COST (\$000)
FINLAYSON ROAD	1,607	410
LAKESIDE ROAD	372	95
MOA FLAT ROAD	413	105
MOA FLAT ROAD	1,525	389
OWAKA VALLEY ROAD	639	163
PURAKAUNUI FALLS ROAD	1,670	426
RENFREW STREET	227	69
TOKOITI ROAD	131	40
TOKOITI ROAD	644	197
WOODED HILL ROAD	1,850	472
TOTAL	9,078	2,366

PROPOSED RESEALS FOR 2011/12 (Physical works)

ROAD	LENGTH (m)	COST \$
ABRAM ROAD	557	18,660
AHURIRI FLAT ROAD	231	8,000
ALLAN STREET	191	6,400
ANZAC STREET	110	4,890
ARGYLE STREET	124	6,800
ATHOL PLACE	131	4,900
AYR STREET	149	6,880
BACK ROAD (TOKOITI)	75	2,390
BACK STREET	166	6,900
BARNEGO ROAD	883	36,660
BAXTER STREET	198	9,720
BERWICK ROAD	35	830
BLACK ROCK ROAD	1,180	38,160
BLUE SPURS ROAD	40	1,560
BROWN STREET (CLINTON)	48	1,940
BUSHYHILL STREET	1,100	66,400
CALDER STREET	366	13,110
CAMERON ROAD (STONEY CREEK)	40	1,270
CAMP HILL ROAD	65	2,250
CEMETERY ROAD	964	39,390
CHARLOTTE STREET (BALCLUTHA)	1,061	85,070
CHESTER STREET	68	2,630
CLUTHA RIVER ROAD	461	17,310
CLYDE TERRACE	205	8,300
CLYDEVALE ROAD	857	29,690
COCKLESHELL ROAD	78	2,660
COSSEN STREET	163	8,470
CRANLEIGH ROAD	36	1,040
CROSS ROAD	57	1,780
DRIVER ROAD	37	1,280
FINLAYSON ROAD	2,500	101,060
FOREST STREET (WEST)	251	15,630
FRANCES STREET (BALCLUTHA)	250	19,450
GABRIEL STREET (LAWRENCE)	650	18,390
GABRIELS GULLY ROAD	544	20,420
GEORGE STREET (MILTON)	237	14,370
GIBSON ROAD (KELSO)	30	870
GREENHITHE STREET	374	12,310
GREENVALE ROAD	1,129	39,120
HARWICH STREET (WEST)	111	3,850
HAZELDALE ROAD	30	870
HIGH STREET (BALCLUTHA)	241	19,600

ROAD	LENGTH (m)	COST \$
HILLEND ROAD	3,941	130,830
HOSPITAL ROAD	281	9,740
IRVINE STREET	300	16,390
KAKA POINT ROAD	438	15,180
LAKESIDE ROAD	530	19,310
LANARK STREET	155	5,370
LEE FLAT ROAD	1,695	54,820
LONSDALE ROAD	36	1,040
MANSE STREET (CLINTON)	281	20,450
MAY STREET (WAIWERA)	204	8,130
MCNEILL STREET	253	14,760
MIDDLE ROAD	40	1,160
MILL ROAD	2,018	69,920
MILL STREET (TAPANUI)	130	6,830
MILLER ROAD	1,070	36,460
MOUNT STUART ROAD	575	21,580
OLD PORT ROAD	1,025	41,440
OWAKA HIGHWAY	674	30,750
OWAKA VALLEY ROAD	2,754	101,040
OXFORD STREET	257	13,360
PAKEFIELD STREET	251	14,070
PARK LANE	256	6,800
PARK ROAD	329	13,180
POMAHAKA ROAD	3,475	132,160
ROMAHAPA ROAD	1,179	47,660
ROSEBANK TERRACE	152	7,900
ROSS STREET (BALCLUTHA)	274	1,420
SCHOOL ROAD (WAIPAHI)	36	1,350
SLOPEDOWN ROAD	855	37,030
STAMFORD STREET	158	8,490
STEVENSON STREET	119	5,360
STONY CREEK ROAD	51	2,500
STUART STREET (OWAKA)	352	14,140
SUNFLOWER ROAD	554	20,800
SUNFLOWER ROAD	30	1,130
SWITZERS ROAD	5,876	203,600
TAIERI BEACH ROAD	32	1,110
TAIERI MOUTH ROAD	1,121	41,480
THE CRESCENT ROAD	34	980
TOTARA STREET	112	3,870
TOWN HALL STREET	70	6,790
TSUKIGAWA TERRACE	202	6,320
TUAPEKA WEST ROAD	6,506	225,380

ROAD	LENGTH (m)	COST \$
WAITAHUNA GULLY ROAD	2,060	71,380
WESTRA STREET	180	9,980
WILDEN SCHOOL ROAD	1,238	42,900
YOUNG ROAD (WAIPAHI)	153	8,570
TOTAL		2,256,190

Cost of Service Statement - *Roading*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Operational Costs	5,822	7,379	5,369	2,010	
Internal Interest	227	138	164	-26	
Depreciation	9,471	10,469	10,469	-	
Operating Costs	15,520	17,986	16,002	1,984	
Activity Income					
Fees/Charges	-	-	-	-	
Subsidies and Grants	9,003	10,819	8,568	-2,251	
Other Income	110	113	-	-113	
Net Cost of Service	6,407	7,054	7,434	-380	
Capital Expenditure					
-New Capital	2,064	3,936	2,609	1,327	
-Renewals	9,126	10,597	8,114	2,483	
Internal Debt Repayment	93	114	164	-50	
Capital and Debt Repayment	11,283	14,647	10,887	3,760	
Funding Required	17,690	21,701	18,321	-3,380	
Funded By:-					
Rate Income					
-General Rates	-	-	-	-	
-Targeted Rates	7,468	9,357	7,549	1,808	
Internal Loans	837	2,073	709	1,364	
Reserves and Future Surpluses	-107	-142	-175	33	
-Depreciation	9,391	10,413	10,238	175	
-Special Funds	101	-	-	-	
Total Funding	17,690	21,701	18,321	3,380	

Water Services

ACTIVITY GROUP	ACTIVITY
COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
ROADING SERVICES	<ol style="list-style-type: none"> 1. Roading
 WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
SANITARY SERVICES	<ol style="list-style-type: none"> 1. Waste Management 2. Public Conveniences 3. Cemeteries
COMMUNITY SERVICES	<ol style="list-style-type: none"> 1. Library/Service Centres/Information Services 2. Swimming Pools 3. Parks, Reserves & Sportsgrounds 4. Halls & Community Centres 5. Community Housing & Other Property
REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire

What we do

URBAN AND RURAL WATER SUPPLY SERVICES, where Council provides regular supplies of potable water for both human consumption and stock drinking water within the district via 22 urban and rural water supply schemes.

- Existing rural water schemes primarily provide drinking water for stock but also provide for domestic consumption. The rural schemes are Balmoral 1, Balmoral 2, Clydevale-Pomahaka, Glenkenich, Moa Flat, North Bruce, Richardson, South Bruce, Tuapeka, Waipahi and Wangaloa.
- Some rural schemes provide water in bulk to smaller communities and townships within their area of supply. The townships are Clinton (Clydevale-Pomahaka), Kaka Point (Richardson), Waiholā (North Bruce), Benhar (South Bruce/Stirling Treatment Plant), Stirling (South Bruce/Stirling Treatment Plant), Cherry Lane (South Bruce), Heriot (Moa Flat), Waikaka and Pukerau (Glenkenich). Most of these communities have restricted supplies to consumers while one or two are unrestricted.
- Urban supplies include Balclutha, Kaitangata, Lawrence, Milton, Owaka and Tapanui. With the exception of Owaka, they provide an unrestricted supply of potable water for domestic, commercial and industrial use within each scheme area.
- 30% of the water produced is for domestic consumption with the balance being largely used for stock water.

SEWERAGE SERVICES, where Council provides for the collection and disposal of domestic sewage and trade waste discharges within the District via 11 public sewerage schemes.

- Sewerage services are provided for Balclutha, Clinton, Heriot, Kaitangata, Kaka Point, Lawrence, Milton, Owaka, Stirling, Tapanui and Waiholā.
- New schemes are being progressed for Tokoiti and Benhar.

STORMWATER SERVICES, where Council provides for the drainage of stormwater via 9 community stormwater drainage reticulation schemes.

- Community stormwater drainage schemes are located in Balclutha, Clinton, Kaitangata, Kaka Point, Lawrence, Milton, Owaka and Tapanui.
- There is also minor stormwater infrastructure in Stirling, Waiholā, Palmer Place (Taieri Mouth), Pounaweā and Papatowai.

Why we do it

Water services are statutory responsibilities for Council. Providing them serves to safeguard public health. These systems also reduce the negative impacts of our communities on the environment and protect property from flood damage. Additionally they play a key role in supporting agriculture, industry, commerce and the general economy of the district.

How Water Services link with District Directions Outcomes



What's planned for Water Services during 2011/12? (incorporating service changes)

Water

- *Completion of water treatment upgrades for Balclutha, Kaitangata, Lawrence and Tapanui:* Extensive treatment plant and reservoir upgrades, subsidised by government's Capital Assistance Programme (CAP).
- *Rural water schemes:* Improving telemetry and plant automation, reticulation renewals and upgrades, treatment upgrades.

Sewerage

- *Treatment and disposal upgrades for Lawrence and Waihola:* required to meet new discharge resource consent conditions. A reticulation upgrade is also required for Milton to reduce wet weather outflows.
- *Benhar and Tokoiti Sewerage:* Council will continue to work with these two communities over the next 12 months to identify and implement the most appropriate community sewerage disposal scheme for each respective community by 30 June 2012.

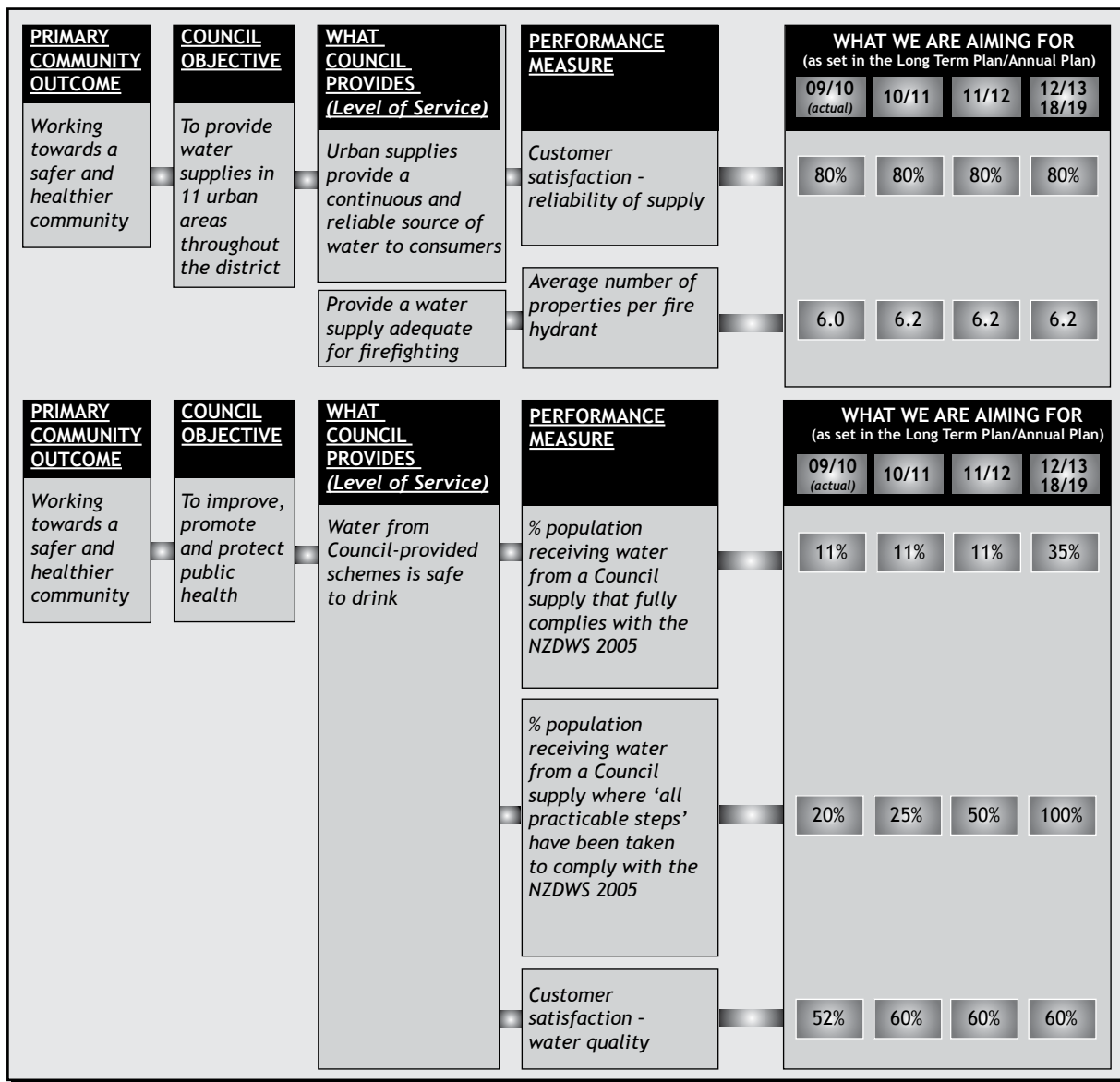
Stormwater

- *Balclutha:* Drainage and discharge improvement investigations.
- *Milton:* Continuation of upgrades to improve flood protection and drainage.

What we're aiming for (LEVEL OF SERVICE AND PERFORMANCE TARGETS)

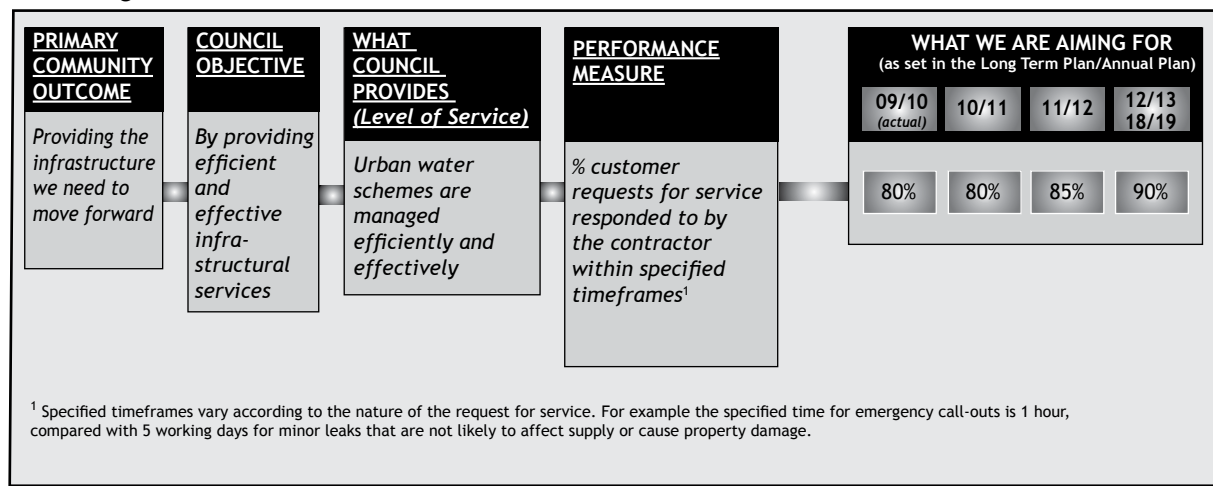
Urban Water Supply

Well-being: Social



COUNCIL ACTIVITIES

Well-being: Economic



Urban Water Supply

Well-being: Environmental

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Creating a sustainable environment that's living up to our clean, green image	Manage water supply in a sustainable way	Meet sustainability requirements	% resource consent conditions met	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>n/a</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	n/a	100%	100%	100%
09/10 (actual)	10/11	11/12	12/13 18/19									
n/a	100%	100%	100%									

Rural Water Supply

Well-being: Economic

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Ensuring our economy grows and diversifies	To meet levels of service agreed with Rural Water Scheme committees	Rural water schemes provide a continuous and reliable source of water to consumers	Customer satisfaction - reliability of supply	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>63%</td> <td>70%</td> <td>70%</td> <td>70%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	63%	70%	70%	70%
09/10 (actual)	10/11	11/12	12/13 18/19									
63%	70%	70%	70%									
Providing the infrastructure we need to move forward	By aiming to facilitate growth and development in the district	Increased demand for water to allow for growth or changing industry is catered for	% of new water demand met	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>82%</td> <td>80%</td> <td>80%</td> <td>80%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	82%	80%	80%	80%
09/10 (actual)	10/11	11/12	12/13 18/19									
82%	80%	80%	80%									
Providing the infrastructure we need to move forward	By providing efficient and effective infra-structural services	Rural water schemes are managed efficiently and effectively	% customer requests for service responded to by the contractor within specified timeframes ¹	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>89%</td> <td>80%</td> <td>80%</td> <td>80%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	89%	80%	80%	80%
09/10 (actual)	10/11	11/12	12/13 18/19									
89%	80%	80%	80%									

¹ Specified timeframes vary according to the nature of the request for service. For example the specified time for emergency call-outs is 2 hours, compared with 5 working days for minor leaks that are not likely to affect supply or cause property damage.

Rural Water Supply

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Working towards a safer and healthier community	To improve, promote and protect public health	Water from Council-provided schemes is safe to drink	Customer satisfaction - water quality	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>46%</td> <td>60%</td> <td>65%</td> <td>70%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	46%	60%	65%	70%
			09/10 (actual)	10/11	11/12	12/13 18/19						
			46%	60%	65%	70%						
Instances when water may be unsafe and customers are advised to boil water	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4</td> <td>3</td> <td>3</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	1	4	3	3			
09/10 (actual)	10/11	11/12	12/13 18/19									
1	4	3	3									
% population receiving water from a Council supply where 'all practicable steps' have been taken to comply with the NZDWS 2005	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>0%</td> <td>25%</td> <td>35%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	0%	25%	35%	100%			
09/10 (actual)	10/11	11/12	12/13 18/19									
0%	25%	35%	100%									

Rural Water Supply

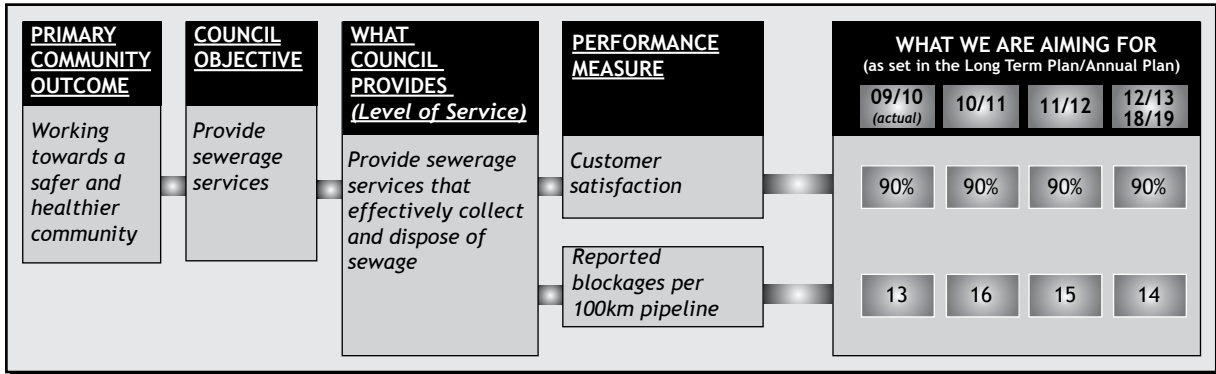
Well-being: Environmental

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Creating a sustainable environment that's living up to our clean, green image	Manage water supply in a sustainable way	Meet sustainability requirements	% resource consent conditions met	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>n/a</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	n/a	100%	100%	100%
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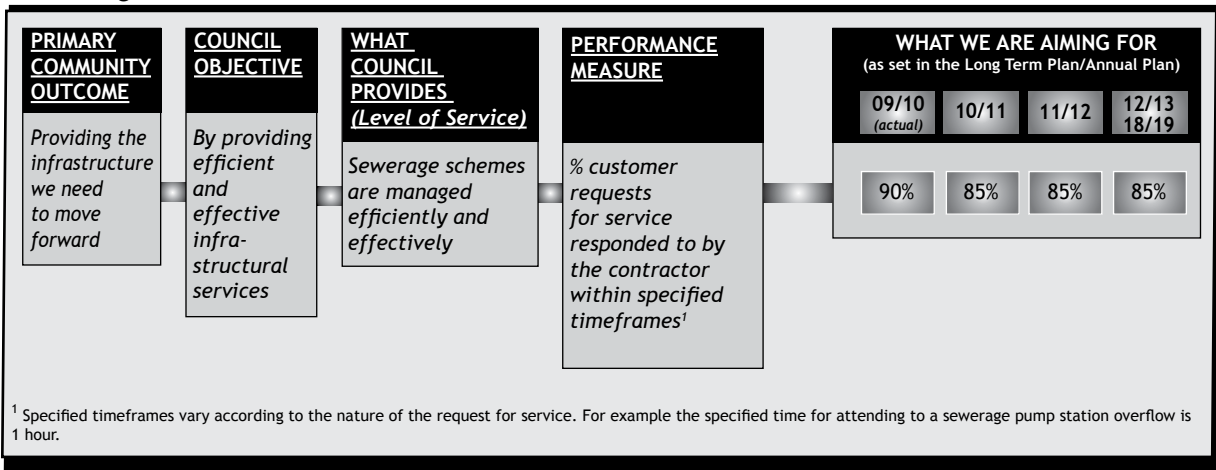
COUNCIL ACTIVITIES

Sewerage

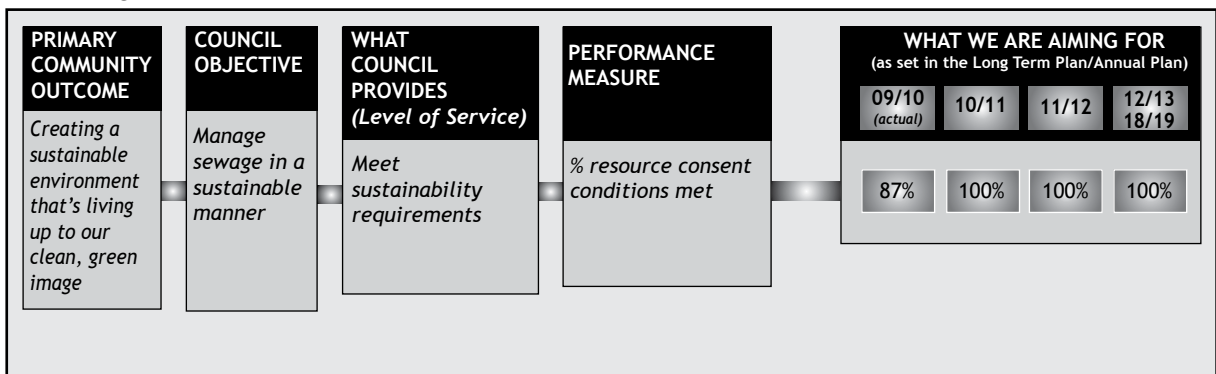
Well-being: Social



Well-being: Economic

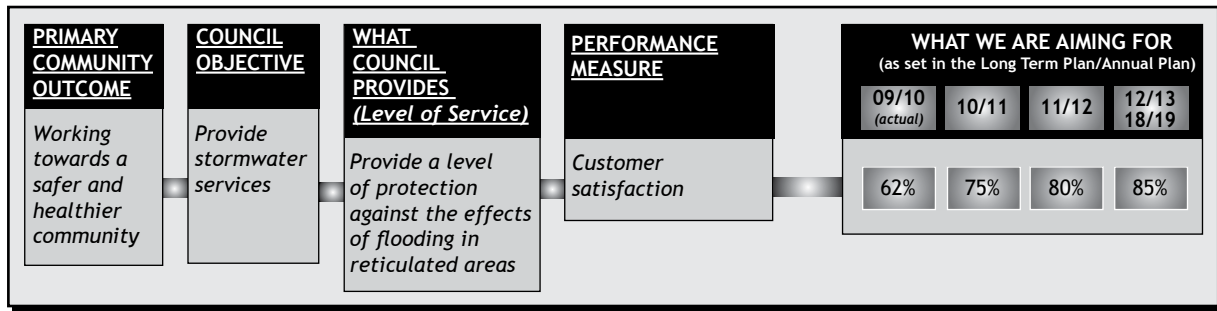


Well-being: Environmental

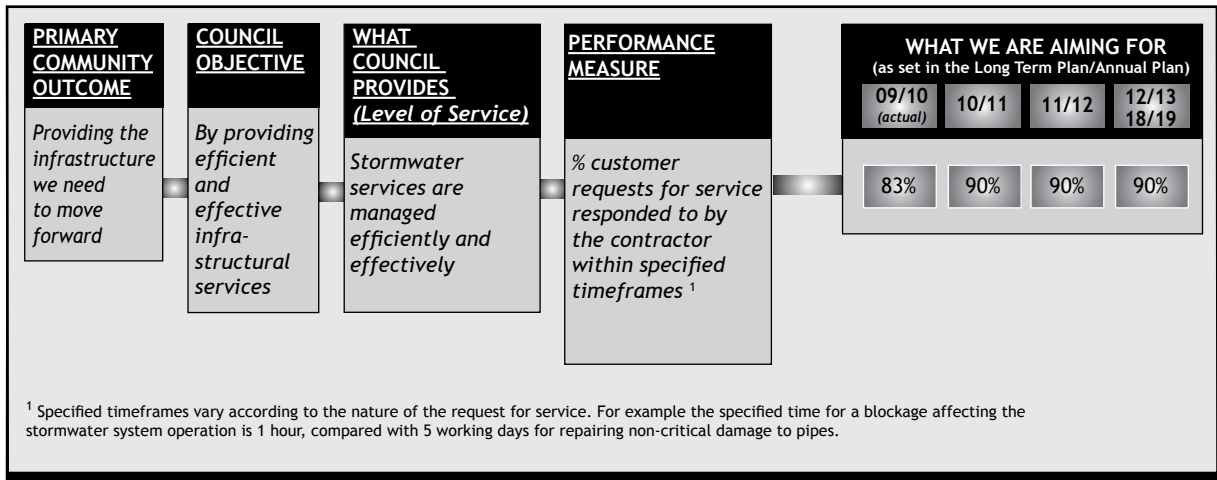


Stormwater

Well-being: Social



Well-being: Economic




Proposed Major Capital Projects - *Water Services*

COMMUNITY	OUTLINE OF WORK (Projects over \$20,000)	PROPOSED EXPENDITURE (\$000)
Balclutha Township	Water treatment upgrade	661
	Water reticulation renewals	30
	Stormwater drainage and discharge improvements	26
Benhar Township	New sewerage scheme	1,300
Heriot	Sewage oxidation pond upgrade	20
Kaitangata Township	New water main	35
Kaitangata Water Treatment Plant	Water treatment upgrade	191
Lawrence Township	Sewerage treatment upgrade and consent	285
	Water treatment upgrade	398
Milton Township	Increased storage capacity for Milton water supply	515
	Water pipe renewals	26
	Tokoiti sewerage extension	509
	Sewerage infiltration & inflow reduction	21
	Stormwater outfall and reticulation upgrades	50
Moa Flat RWS	Treatment upgrade	50
	Parkhill Line upgrade	22
North Bruce RWS	Pipes in plantations renewal	62
	Treatment upgrade	100
Richardson RWS	Puerua treatment plant automation	40
	Paretai - Kaka Point line renewal	62
	Whitlea Road treatment plant automation	51
	Puerua HL2 renewal	26
Stirling Township	Water treatment upgrade - stage 1	158
Tapanui Township	Water treatment upgrade	325
Waihola Township	Sewage treatment and disposal upgrade	155
Wangaloa RWS	Water treatment upgrades	28

Cost of Service Statement - *Water Services*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Water Supply	3,750	3,900	3,907	-7	
Stormwater	297	335	312	23	
Sewerage	658	997	869	128	
Internal Interest	448	298	361	-63	
Depreciation	1,788	1,782	1,938	-156	
Operating Costs	6,941	7,312	7,387	-75	
Activity Income					
Fees/Charges	845	1,223	1,167	-56	
Subsidies and Grants	-	-	-	-	
Other Income	-	-	-	-	
Net Cost of Service	6,096	6,089	6,220	-131	
Capital Expenditure					
-New Capital	4,319	2,446	4,893	-2,447	
-Renewals	877	638	502	136	
Internal Debt Repayment	90	253	251	2	
Capital and Debt Repayment	5,286	3,337	5,646	-2,309	
Funding Required	11,382	9,426	11,866	-2,440	
Funded By:-					
Rate Income	-	-	-	-	
-General Rates	-	-	-	-	
-Targeted Rates	6,513	7,138	6,947	191	
Internal Loans	1,654	32	2,371	-2,339	
Reserves and Future Surpluses	109	44	120	-76	
-Depreciation	2,313	1,457	1,930	-473	
-Special Funds	793	755	498	257	
Total Funding	11,382	9,426	11,866	-2,440	

Sanitary Services

ACTIVITY GROUP	ACTIVITY
COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
ROADING SERVICES	<ol style="list-style-type: none"> 1. Roading
WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
 SANITARY SERVICES	<ol style="list-style-type: none"> 1. Waste Management 2. Public Conveniences 3. Cemeteries
COMMUNITY SERVICES	<ol style="list-style-type: none"> 1. Library/Service Centres/Information Services 2. Swimming Pools 3. Parks, Reserves & Sportsgrounds 4. Halls & Community Centres 5. Community Housing & Other Property
REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire

COUNCIL ACTIVITIES

What we do

WASTE MANAGEMENT, which involves:

- Operating a sanitary landfill and drop-off recycling depot for the district at Mt Cooe on the outskirts of Balclutha.
- Providing a weekly collection for disposal of household refuse via kerbside wheelie bin services to the following urban areas: Balclutha, Benhar, Clinton, Heriot, Kaitangata, Kaka Point, Lawrence, Milton, Owaka, Stirling, Tapanui, Waiholā, Waipahi and Waitahuna. The service is also available to individual rural households along service routes.
- Providing transfer stations/skip services which are collected on a weekly basis in Clinton, Clydevale, Lawrence, Milton, Owaka, Tapanui and Taieri Mouth.
- Providing coin-operated “Jack Trash” bin at Papatowai.
- Providing a skip service at Maclennan that is collected on an as-needed basis.
- Providing litter bins at shopping centres, beaches and other locations throughout the district.
- Monitoring and maintaining 19 closed tip sites throughout the district.
- Providing waste minimisation education to schools throughout the district.

PUBLIC CONVENIENCES, which involves:

- Providing and maintaining 24 public toilets throughout the district (located in the Balclutha, Clinton, Jacks Bay, Kaitangata, Kaka Point, Lawrence, Milton, Owaka, Pounaweā, Tapanui, Taieri Mouth and Waiholā areas).

CEMETERIES, which involves:

- Directly operating and maintaining six urban cemeteries - Balclutha (2), Fairfax (Milton), Kaitangata, Lawrence and Tapanui, and eight rural cemeteries - Port Molyneux, Romahapa, Taieri Beach, Waiholā, Waikoikoi, Waipahi, Waipori, and Waitahuna.
- Providing financial assistance to a further four cemeteries that are managed by trustees (Clinton, Crookston, Owaka, Tuapeka).
- Providing financial assistance towards the maintenance of various war memorials throughout the district.

Why we do it

All of the activities in this group are required of Council by legislation, specifically the Health Act 1956 and the Burials and Cremations Act 1964.

How Sanitary Services links with District Direction Community Outcomes



What's planned for Sanitary Services during 2010/11?

- Relocation of the Owaka public toilets.

Service changes for Sanitary Services during 2011/12

- The second stage of CDC's approach to recycling will be developed, with the introduction of kerbside recycling in April 2012.

Solid Waste

Well-being: Environmental

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Creating a sustainable environment that's living up to our clean, green image	To provide an environmentally sustainable and hygienic refuse service	Provide a wheelie bin refuse collection service to townships and along service routes	Resident satisfaction with the wheelie bin service	96%	90%	80%	80%
		Provide a recycling service	% of the population who have reasonable access to recycling facilities	59%	100%	100%	100%
			Tonnes of recyclables collected	62	300	1500	1500
			Resident satisfaction with recycling facilities	new	40%	90%	90%
		Provide waste minimisation education.	% of residents aware of at least two things people can do to reduce the waste they produce	52%	27%	29%	50%
			Number of residents assisted by Council to compost	45	350	0	0
			% of residents who compost	67%	35%	50%	70%
		Provide skip services throughout the district	Resident satisfaction with skip services	82%	80%	80%	80%
		Provide a facility in the district for the disposal of solid waste	Resident satisfaction with Mt Cooe landfill	77%	55%	50%	50%

Public Conveniences

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Working towards a safer and healthier community	Provide public toilet facilities	Provide safe, clean and tidy public conveniences throughout the district	Resident satisfaction with public toilets	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>48%</td> <td>60%</td> <td>60%</td> <td>60%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	48%	60%	60%	60%
			09/10 (actual)	10/11	11/12	12/13 18/19						
48%	60%	60%	60%									
Toilets are maintained to contract specifications	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>98%</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	98%	100%	100%	100%			
09/10 (actual)	10/11	11/12	12/13 18/19									
98%	100%	100%	100%									

Cemeteries

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Working towards a safer and healthier community	Provide cemetery facilities	Provide tidy, accessible and respectful cemeteries throughout the district	Resident satisfaction with cemeteries	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>82%</td> <td>80%</td> <td>80%</td> <td>80%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	82%	80%	80%	80%
			09/10 (actual)	10/11	11/12	12/13 18/19						
82%	80%	80%	80%									
Cemeteries are maintained to contract specifications	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>98%</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	98%	100%	100%	100%			
09/10 (actual)	10/11	11/12	12/13 18/19									
98%	100%	100%	100%									

COUNCIL ACTIVITIES

Cost of Service Statement - *Sanitary Services*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Solid Waste Management	1,435	1,357	1,423	-66	
Public Toilets	222	225	284	-59	
Cemeteries	204	204	190	14	
Internal Interest	39	36	22	14	
Depreciation	62	89	89	-	
Operating Costs	1,962	1,912	2,008	-97	
Activity Income					
Fees/Charges	522	485	485	-	
Subsidies and Grants	-	-	-	-	
Other Income	-	-	-	-	
Net Cost of Service	1,440	1,426	1,523	-97	
Capital Expenditure					
-New Capital	-	-	-	-	
-Renewals	240	4	7	-3	
Internal Debt Repayment	35	39	44	-5	
Landfill Aftercare	21	21	21	-	
Capital and Debt Repayment	296	64	72	-8	
Funding Required	1,736	1,490	1,595	-105	
Funded By:-					
Rate Income					
-General Rates	408	438	478	-40	
-Targeted Rates	1,100	1,070	1,070	-	
Internal Loans	80	-	-	-	
Reserves and Future Surpluses	10	-51	11	-62	
-Depreciation	134	29	32	-3	
-Special Funds	4	4	4	-	
Total Funding	1,736	1,490	1,595	-105	

Community Services

ACTIVITY GROUP	ACTIVITY
COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
ROADING SERVICES	<ol style="list-style-type: none"> 1. Roading
WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
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REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire



What we do

Council either directly provides or assists groups to provide various community facilities and services throughout the district. Activities include:

LIBRARIES, SERVICE CENTRE AND INFORMATION SERVICES, which involves:

- Providing an extensive network of libraries, service centres, and information centres (which are often combined) throughout the district.
- The district library network consists of:
 - One central library in Balclutha.
 - Four branch libraries in Lawrence, Milton, Owaka and Tapanui.
 - Five voluntary community libraries in Clinton, Kaitangata, Taieri Mouth, Waihola and Waitahuna.
- A service centre network providing a local link to Council departments:
 - Located in Balclutha, Lawrence, Milton, Owaka and Tapanui. (Lawrence, Milton, Owaka and Tapanui also incorporate a branch of the Clutha District Library network).
 - Balclutha Service Centre is also an 'I' site handling nationwide bookings for tourists and locals.
- Providing financial assistance to the Lawrence and Milton information centres, which are community owned and operated.

SWIMMING POOLS, which involves:

- Owning and operating four pools in Balclutha, Kaitangata, Milton and Lawrence.
 - With the exception of Balclutha, pools are open for the summer season only. The Balclutha facility is open for 12 months of the year and contains a 33m and 15m heated indoor pool, along with gym/weights facilities.
- Making grants available to various school- and community-based pools throughout the district located in Beaumont, Clinton, Clutha Valley, Heriot, Owaka, Stirling, Tahakopa, Taieri Beach, Waipahi, Waitahuna, Waitapeka, Waiwera South and West Otago. (These grants are included in the Community Support budget under the Community Leadership section).

PARKS, RESERVES, PLAYGROUNDS & SPORTSGROUNDS, which involves:

- Providing and maintaining 86 hectares of parks and reserves throughout the district, including 18 playgrounds and four sportsgrounds.
- Providing financial assistance for a further 19 hectares of reserves and sportsgrounds that are managed by local committees and sports groups.

HALLS & COMMUNITY CENTRES, which involves:

- Maintaining and operating town halls in Balclutha and Kaitangata.
- Providing financial assistance for 12 rural committees which operate community centres throughout the district on Council's behalf. These are Clutha Valley, Hillend, Kaka Point, Lovells Flat, Moneymore, Owaka, Paretai, Taieri Mouth, Waihola, Waipahi, Waitahuna and Waiwera.
- Providing financial assistance to various other halls and centres, which are owned and operated by their communities. These are at Beaumont, Clinton, Crookston, Dunrobin, Heriot, Milton, Lawrence, Paretai, Romahapa, Tuapeka Mouth, Tuapeka West, Waikoikoi and Tapanui. These grants are included in the Community Support budget under the Community Leadership section.

COMMUNITY HOUSING & OTHER PROPERTY, which involves:

- Owning and maintaining 98 one bedroom housing units located in Balclutha, Clinton, Kaitangata, Lawrence, Milton, Owaka, Tapanui and Waihola.
- Other property is owned and maintained by Council for storage of materials and equipment.
- Property which is retained for renting and leasing at market rates.

Why we do it

By and large this group of activities ensures that the whole community has opportunities to access a range of public spaces and facilities that provide for people's social wellbeing particularly through physical activities, leisure opportunities and recreation.

How Community Services link with District Directions Outcomes



What's planned for Community Services during 2010/11?

- Continuation of the Balclutha and Milton swimming pool work (these projects will also increase the level of service). More details are included in the Balclutha and Milton community summary sections of this plan.
- Pounaweia camping ground, which is administered by Council, is needing a sewerage upgrade to comply with modern standards. Issues around this will be worked through during 2011/12.
- Refurbishment of Milton Service Centre and Library.
- New library software management system has been budgeted (this is contained in the information management budget under central administration).
- Council's Greenspace (Parks and Reserves) contract has recently been finalised at a significantly lower price than budgeted for. Council will decide how these savings will be allocated as part of the Long Term Plan 2012/22. Tapanui and Lawrence have been passed on savings this year to minimise their substantial rates increase. This does mean, however, that when the rest of the district receives the savings as part of the 2012/22 Long Term Plan the savings for Lawrence and Tapanui will be reduced.

Service changes for Community Services during 2011/12

- Council had an extensive programme of modernisation work planned for its portfolio of community housing, subject to external funding from the Department of Building and Housing. This funding has not been available, so this programme will not go ahead at this stage.

What we're aiming for (LEVEL OF SERVICE AND PERFORMANCE TARGETS)

Libraries

Well-being: Cultural

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)
				09/10 (actual) 10/11 11/12 12/13 18/19
Making sure there's plenty to see and do	Optimise access to Council library services	Operate accessible and affordable library services via branches in Balclutha, Lawrence, Milton, Owaka and Tapanui and supporting voluntary libraries in Clinton, Kaitangata, Taieri Mouth, Waihola and Waitahuna	Customer satisfaction with libraries	97% 90% 90% 90%
			Customer satisfaction with library opening hours	92% 80% 80% 80%
			% of residents who have used a library within the past 12 months	58% 50% 50% 50%
			% of residents registered as library members	55% 50% 50% 50%
			Total costs per capita	\$37.83 \$38.13 \$39.84 N/A
Making sure there's plenty to see and do	Provide sufficient and appropriate resources to meet the recreational, informational and educational needs of the whole community	Provide a collection consisting of adult fiction, adult non-fiction, reference, children, young adult, large print, local history, newspaper, magazine, adult literacy, audio visual, talking books, media, jigsaws and electronic resource materials.	Loans per capita	10.2 10 10 10
			Turnover of collections (per annum)	1.9 2.4 2.5 2.5
			Customer satisfaction with the availability of books at the libraries	88% 80% 80% 80%

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)
				09/10 (actual) 10/11 11/12 12/13 18/19
Developing and making the most of education, training and lifelong learning opportunities	Encourage reading and supporting literacy	Provide life-long learning opportunities such as reading programmes and author events	Number of participants in information literacy programmes and reader events	3360 800 2000 2000

Service and Information Centres

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Encouraging strong, positive and enterprising communities	Optimise access to Council facilities	Provide accessible and affordable Council service centres in Balclutha, Lawrence, Milton and Tapanui and information centres in Balclutha and Owaka.	Resident satisfaction	94%	90%	90%	90%
			% of residents who have used a service or info centre during the past 12 months	53%	50%	50%	50%
			Cost per capita	\$29.78	\$34.69	\$30.76	N/A

Swimming Pools

Well-being: Cultural

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Making sure there's plenty to see and do	Optimise access to Council facilities	Operate a safe, accessible and affordable pool in Balclutha, along with summer pools in Kaitangata, Lawrence and Milton	Number of users	55,665	53,000	40,000	63,000
			Average cost per swim (for user)	\$1.11	\$3.01	\$1.64	N/A
			Average cost per swim (for the ratepayer)	\$10.31	\$29.15	\$17.09	N/A
			% of time pool is closed due to planned maintenance	1.8%	20%	50%	2.5%
			% of time pool is closed due to unforeseen closure	7%	4%	2%	3%
			% of tests showing water is safe	100%	100%	100%	100%
			Customer satisfaction	49%	62%	40%	70%
Encouraging strong, positive and enterprising communities	Support volunteers	Provide financial assistance and advice to community-run pools	\$ amount of assistance	\$23,649	\$26,000	\$26,000	\$29,000 average

COUNCIL ACTIVITIES

Pools continued
Well-being: Social

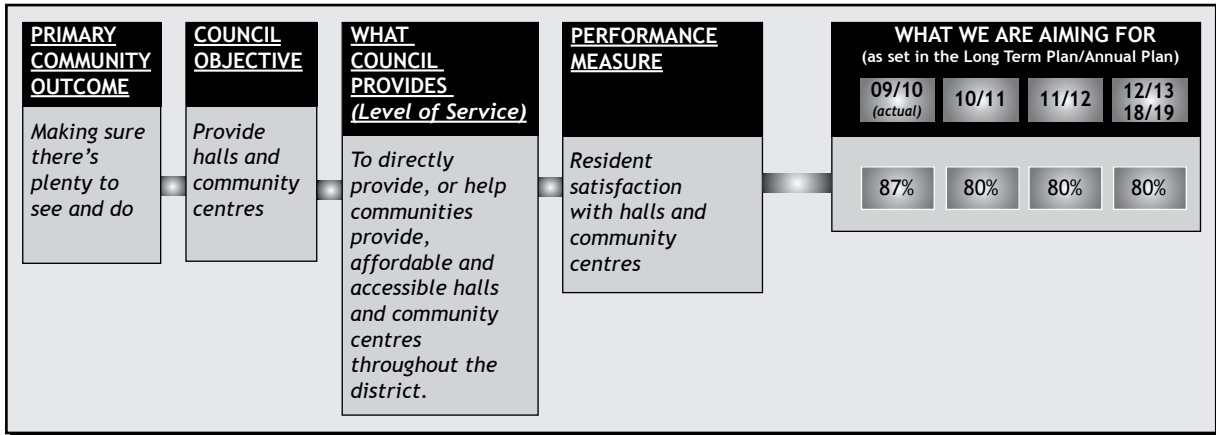
PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Working towards a safer and healthier community	Optimise access to Council facilities	Provide Splish Splash Swim School	Number of swim school participants	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>284</td> <td>350</td> <td>150</td> <td>400</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	284	350	150	400
		09/10 (actual)	10/11	11/12	12/13 18/19							
284	350	150	400									
Provide admission free swims to schools throughout the district	Number of free school swims	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>16,001</td> <td>12,500</td> <td>10,000</td> <td>13,400</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	16,001	12,500	10,000	13,400		
09/10 (actual)	10/11	11/12	12/13 18/19									
16,001	12,500	10,000	13,400									

Parks, Reserves, Sportsgrounds and Playgrounds
Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)								
Making sure there's plenty to see and do	Provide active and passive recreation areas	Provide and maintain safe and functional parks, reserves, sportsgrounds and playgrounds throughout the district	Resident satisfaction with parks and reserves	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>82%</td> <td>80%</td> <td>80%</td> <td>80%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	82%	80%	80%	80%
			09/10 (actual)	10/11	11/12	12/13 18/19						
			82%	80%	80%	80%						
			Resident satisfaction with sportsgrounds	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>78%</td> <td>80%</td> <td>80%</td> <td>80%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	78%	80%	80%	80%
09/10 (actual)	10/11	11/12	12/13 18/19									
78%	80%	80%	80%									
Resident satisfaction with playgrounds	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>82%</td> <td>80%</td> <td>80%</td> <td>80%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	82%	80%	80%	80%			
09/10 (actual)	10/11	11/12	12/13 18/19									
82%	80%	80%	80%									
Parks, reserves, sportsgrounds and playgrounds are maintained to contract specifications	<table border="1"> <thead> <tr> <th>09/10 (actual)</th> <th>10/11</th> <th>11/12</th> <th>12/13 18/19</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	09/10 (actual)	10/11	11/12	12/13 18/19	100%	100%	100%	100%			
09/10 (actual)	10/11	11/12	12/13 18/19									
100%	100%	100%	100%									

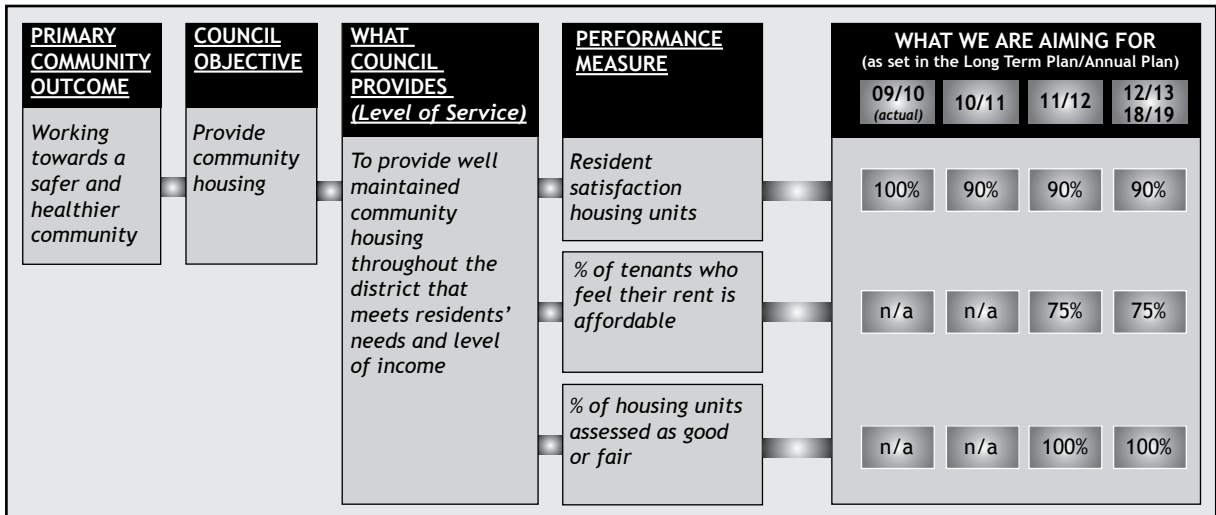
Halls and Community Centres

Well-being: Cultural



Council Community Housing

Well-being: Social



COUNCIL ACTIVITIES

Proposed Major Capital Projects - *Community Services*

COMMUNITY	OUTLINE OF WORK	PROPOSED EXPENDITURE (\$000)
Balclutha	Continuation of swimming pool upgrade	2,100
	Heating ventilation upgrade to Balclutha Town Hall*	26
	Toshvale community housing - internal painting	40
	Naish Park - design and development of signage	5
Kaitangata	Swimming pool repainting	22
Milton	Continuation of swimming pool upgrade	484
	Swimming pool filtration system upgrade	110
	Service centre refurbishment	80
Rural	Pounaweia camping ground - sewerage upgrade	102

**Currently in the budget, but planning work is underway looking at the future needs of the hall, which may impact on this project. More information will be available as part of the 2012/12 Long Term Plan.*

Cost of Service Statement - *Community Services*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Operational Costs	5,361	4,263	3,525	738	
Internal Interest	24	20	199	179	
Depreciation	484	346	399	53	
Operating Costs	5,869	4,629	4,123	506	
Activity Income					
Fees/Charges	933	2,859	978	-1,881	
Subsidies and Grants	-	-	-	-	
Other Income	-	-	-	-	
Net Cost of Service	4,936	1,770	3,145	-1,375	
Capital Expenditure					
-New Capital	103	2,040	3,002	-962	
-Renewals	1,784	492	1,210	-718	
Internal Debt Repayment	26	58	66	-8	
Capital and Debt Repayment	1,913	2,590	4,268	-1,688	
Funding Required	6,849	4,360	7,423	-3,063	
Funded By:-					
Rate Income					
-General Rates	930	967	896	71	
-Targeted Rates	1,620	1,725	1,729	-4	
Internal Loans	3,610	1,228	4,321	-3,093	
Reserves and Future Surpluses	-27	-30	52	-82	
-Depreciation	581	406	379	27	
-Special Funds	135	64	46	18	
Total Funding	6,849	4,360	7,423	-3,063	

Regulatory Services

ACTIVITY GROUP	ACTIVITY
COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
ROADING SERVICES	<ol style="list-style-type: none"> 1. Roading
WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
SANITARY SERVICES	<ol style="list-style-type: none"> 1. Waste Management 2. Public Conveniences 3. Cemeteries
COMMUNITY SERVICES	<ol style="list-style-type: none"> 1. Library/Service Centres/Information Services 2. Swimming Pools 3. Parks, Reserves & Sportsgrounds 4. Halls & Community Centres 5. Community Housing & Other Property
REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire



What we do

Council has a range of regulatory responsibilities under various Acts of Parliament. They are orientated towards maintaining the health and safety of residents, and the sustainability of the district's environment. They include:

RESOURCE MANAGEMENT, which involves:

- Promoting the sustainable management of natural and physical resources in the Clutha District via the District Plan.
- Processing resource consent applications (for land use and subdivision). Approximately 60 resource consents are processed annually.
- Carrying out monitoring, enforcement and prosecution when necessary.
- Providing Land Information Memoranda in accordance with the requirements of the Local Government Official Information and Meetings Act 1987.

ANIMAL CONTROL, which involves:

- Maintaining a register of the dogs in the district (approximately 7,000).
- Responding to complaints of wandering stock and dogs as well as barking and nuisance complaints.
- Providing impounding facilities, which are located in Balclutha and Milton.
- Providing education and advice to dog owners.
- Prosecuting for non-compliance with dog control legislation and bylaws.

ENVIRONMENTAL HEALTH, which involves:

- Registering and inspecting premises that prepare or sell food. Approximately 130 premises are currently inspected on a risk-rating frequency of nine to 24 months.
- Registering and inspecting other controlled premises, such as hairdressers, offensive trades, funeral parlours and camping grounds.
- Maintaining an overseeing role of potable water supplies and recreational waters.
- Promoting safe health practices through seminars and newsletters.
- Responding to noise complaints. Approximately 80 noise complaints are responded to annually.
- Investigating notified infectious diseases.

BUILDING CONTROL, which involves:

- Providing advice and administering the Building Act 2004.
- Checking that building complies with the New Zealand Building Code.
- Processing applications for Project Information Memoranda (PIMS) and Building Consents, including on-site inspections at the building stage, and issuing code compliance certificates upon completion. Council processes around 600 building consents annually.
- Issuing building warrants of fitness and compliance schedules.
- Investigating complaints related to unauthorised building work where necessary.

LIQUOR LICENSING, which involves:

- Controlling the sale and supply of liquor via the Sale of Liquor Act 1989.
- Processing applications for on, off, club and special licenses, processing managers certificates and renewals, and monitoring licensed premises for compliance. Approximately 300 liquor licenses (licenses and renewals) are processed annually.
- Promoting the principle of host responsibility and the safe use of alcohol through seminars and customer liaison.
- Reviewing Council's sale of liquor policy regularly to ensure it reflects bylaw enforcement.

There are also various other regulatory functions where Council has some responsibility, including gambling control, litter control and parking enforcement. These do not involve significant resources or staff time.

Why we do it

All of the activities in this group are required of Council by legislation. They also contribute to various District Directions community outcomes as outlined below.

How Regulatory Services Links With District Directions Outcomes



What's planned for Regulatory Services during 2010/11?

- Maintaining registration as a Building Consent Authority.
- Continuing to respond and adjust to other changing legislative requirements from Central Government, with building control, liquor licensing and environmental health all potentially subject to major changes.

Service changes for Regulatory Services during 2011/12

- No changes are programmed for levels of service to this area in 2011/12.

What we're aiming for (LEVEL OF SERVICE AND PERFORMANCE TARGETS)

Resource Management

Well-being: Environmental

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Creating a sustainable environment that's living up to our clean, green image	To meet requirements of the Resource Management Act	To provide a consents service where consents are processed within statutory timeframes in an efficient manner	Customer satisfaction with resource consent processing service	n/a	90%	90%	90%
			Non-notified resource consents processed within 20 days (statutory timeframe)	98%	100%	100%	100%
			Non-notified resource consents processed within 10 days	32%	50%	50%	50%

Animal Control

Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Working towards a safer and healthier community	To meet the requirements of the Dog Control Act	Respond to reported incidents (e.g. wandering dogs, barking nuisance, dog attacks, stock nuisance)	Incidents investigated within 48 hours of reports being received	92%	80%	80%	80%

Environmental Health

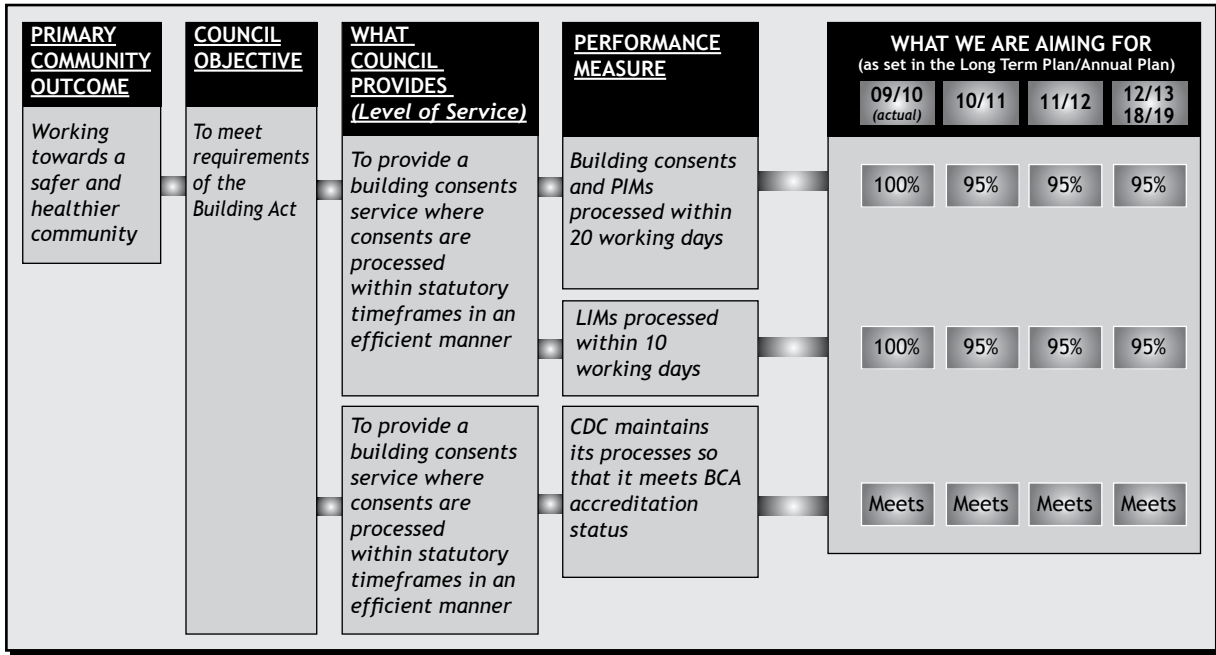
Well-being: Social

PRIMARY COMMUNITY OUTCOME	COUNCIL OBJECTIVE	WHAT COUNCIL PROVIDES (Level of Service)	PERFORMANCE MEASURE	WHAT WE ARE AIMING FOR (as set in the Long Term Plan/Annual Plan)			
				09/10 (actual)	10/11	11/12	12/13 18/19
Working towards a safer and healthier community	To meet requirements of the Health Act and related legislation	By providing an environmental health inspection service that works towards a safe and healthy living environment	% noise complaints are investigated within 48 hours	100%	100%	100%	100%
			% of food premises inspected according to Council's agreed food inspection schedule	95%	100%	100%	100%

COUNCIL ACTIVITIES

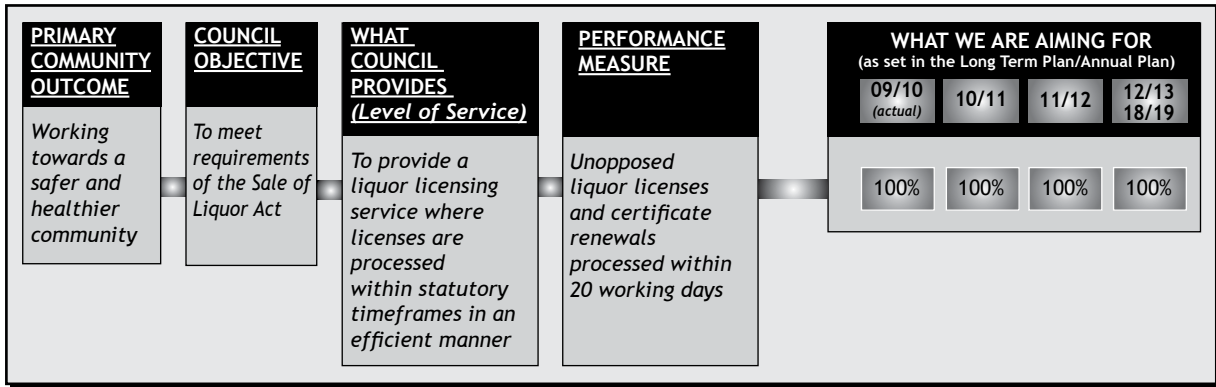
Building Control

Well-being: Social



Liquor Licensing

Well-being: Social



Cost of Service Statement - *Regulatory Services*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Resource Management	243	248	243	5	
Environmental Health	192	196	176	20	
Building Control	530	521	507	14	
Liquor Licensing	51	52	54	-2	
Animal Control	179	184	186	-2	
Internal Interest	5	2	7	-5	
Depreciation	-	-	-	-	
Operating Costs	1,200	1,203	1,173	-31	
Activity Income					
Fees/Charges	703	727	707	-20	
Subsidies and Grants	-	-	-	-	
Other Income	-	-	-	-	
Net Cost of Service	497	476	466	10	
Capital Expenditure					
-New Capital	-	-	-	-	
-Renewals	-	-	-	-	
Internal Debt Repayment	8	8	5	3	
Capital and Debt Repayment	8	8	5	3	
Funding Required	505	484	471	13	
Funded By:-					
Rate Income					
-General Rates	194	199	179	20	
-Targeted Rates	327	302	291	11	
Internal Loans	-	-	-	-	
Reserves and Future Surpluses	-1	-1	1	-2	
-Depreciation	-	-	-	-	
-Special Funds	-15	-16	-	-16	
Total Funding	505	484	471	13	

Emergency Services

ACTIVITY GROUP	ACTIVITY
COMMUNITY LEADERSHIP	<ol style="list-style-type: none"> 1. Governance 2. District Development 3. Community Support
ROADING SERVICES	<ol style="list-style-type: none"> 1. Roading
WATER SERVICES	<ol style="list-style-type: none"> 1. Stormwater 2. Sewerage 3. Water Supply
SANITARY SERVICES	<ol style="list-style-type: none"> 1. Waste Management 2. Public Conveniences 3. Cemeteries
COMMUNITY SERVICES	<ol style="list-style-type: none"> 1. Library/Service Centres/Information Services 2. Swimming Pools 3. Parks, Reserves & Sportsgrounds 4. Halls & Community Centres 5. Community Housing & Other Property
REGULATORY SERVICES	<ol style="list-style-type: none"> 1. Resource Management 2. Animal Control 3. Environmental Health 4. Building Control 5. Liquor Licensing
EMERGENCY SERVICES	<ol style="list-style-type: none"> 1. Civil Defence 2. Rural Fire



What we do

RURAL FIRE, which involves:

- Supporting, training and resourcing two volunteer rural fire forces based in Papatowai and Waihola, and contracted fire crews that support NZ Fire Service volunteer brigades around the district. These forces attend and extinguish uncontrolled fires in rural areas outside gazetted urban fire districts as required.
- Issuing fire permits during the restricted fire season.
- Maintaining a Rural Fire Plan to National Rural Fire Authority requirements.
- Carrying out promotion, education and public awareness of rural fire risk.
- Managing and suppressing all rural fires, using Council staff, contractors and volunteers.

CIVIL DEFENCE EMERGENCY MANAGEMENT, which involves:

- Working with other local authorities in the Otago region to plan for hazards and maintain a Regional Civil Defence Plan, which includes a Clutha District Civil Defence Operational Plan.
- Maintaining systems, communications and resources that can be used during an emergency.
- Recruiting and providing Civil Defence training for a network of volunteers throughout the district.
- Promoting Civil Defence emergency awareness and personal preparedness.
- Monitoring known hazards, for example, the Clutha and Pomahaka rivers.
- Responding when actual or potential emergencies arise.

Why We Do It

Civil Defence and Rural Fire are statutory responsibilities for Council under the Civil Defence Emergency Management Act and the Forest and Rural Fire Act respectively, and also provide for community safety.

How Emergency Services links with District Directions Outcomes



What's planned for Emergency Services during 2010/11?

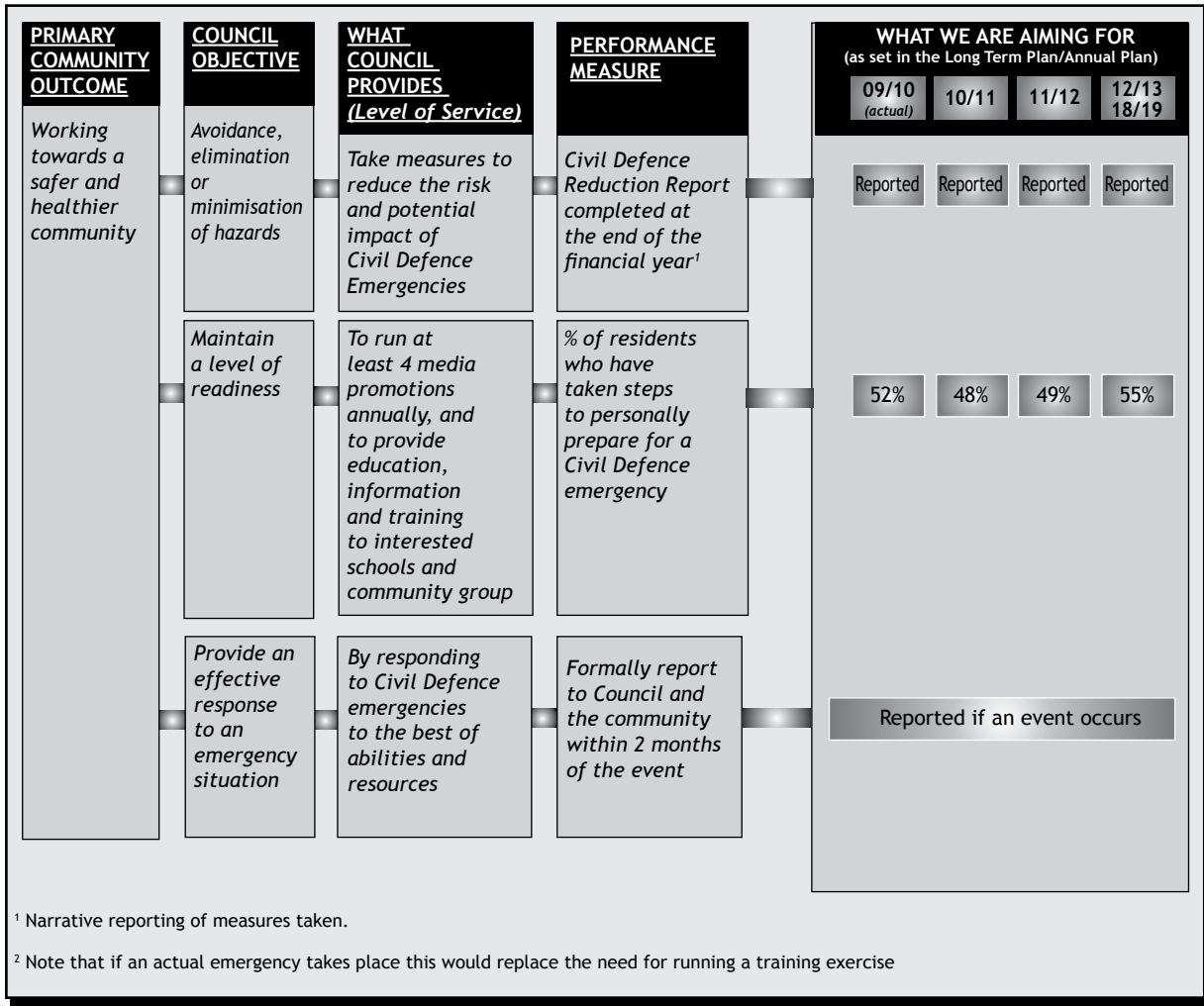
- Continuing work around public education and emergency preparedness.
- Await any legislative changes that may result in CDC becoming part of an expanded Rural Fire District.

Service changes for Emergency Services during 2011/12

- No changes are programmed for levels of service to this area in 2011/12.

Civil Defence

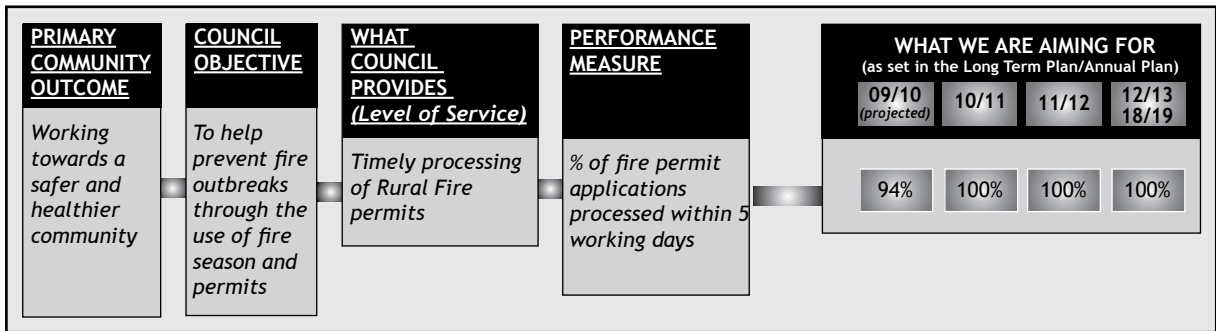
Well-being: Social



COUNCIL ACTIVITIES

Rural Fire

Well-being: Social



Cost of Service Statement - *Emergency Services*

Estimate of Financial Performance	Annual Plan 2010/11	LTCCP 2011/12	Annual Plan 2011/12	Difference 2011/12	Notes
Expenditure (\$'000)					
Operating Costs					
Civil Defence and Emergency Services	88	88	104	-16	
Rural Fire	166	165	177	-12	
Depreciation	15	16	16	-	
Operating Costs	269	269	297	-28	
Activity Income					
Fees/Charges	-	-	-	-	
Subsidies and Grants	8	8	8	-	
Other Income	-	-	-	-	
Net Cost of Service	261	261	289	-28	
Capital Expenditure					
-New Capital	-	-	-	-	
-Renewals	-	-	-	-	
Internal Debt Repayment	-	-	-	-	
Capital and Debt Repayment	-	-	-	-	
Funding Required	261	261	327	-66	
Funded By:-					
Rate Income	-	-	-	-	
-General Rates	88	88	105	-17	
-Targeted Rates	173	173	184	-11	
Internal Loans	-	-	-	-	
Reserves and Future Surpluses	-	-	-	-	
-Depreciation	-	-	-	-	
-Special Funds	-	-	-	-	
Total Funding	261	261	327	-66	

Financial Information

Prospective Income Statement

For the year ended 30 June:	LTCCP 2011/12	AP 2011/12	Difference 2011/12	Notes
	\$'000	\$'000	\$'000	
INCOME				
Fees, Charges, Rents and Miscellaneous	6,629	4,954	-1,675	
Financial Assistance	10,937	8,568	-2,369	
General Rates	3,249	3,291	42	
Rate Penalties	127	127	-	
Targeted Rates	19,897	17,941	-1,956	
Total Income	40,839	34,881	-5,958	
EXPENDITURE				
Community Leadership	2,428	3,623	-1,195	
Central Administration	865	693	172	
Roading Services	17,986	16,002	1,984	
Wastewater & Drainage	2,140	2,090	50	
Water Services	5,170	5,297	-127	
Sanitary Services	1,912	2,008	-96	
Community Services	4,634	4,123	554	
Regulatory Services	1,204	1,173	31	
Emergency Services	268	297	-29	
In-House Professional Services	-30	-41	11	
Total Expenditure	36,577	35,265	1,312	
NET SURPLUS/ (DEFICIT) FROM ACTIVITIES	4,262	-384	-4,646	
NET SURPLUS/(DEFICIT)	4,262	-384	-4,646	

Included in Fees, Charges, Rents and Miscellaneous

For the year ended 30 June:	LTCCP 2011/12	AP 2011/12	Difference 2011/12	Notes
Reserve Interest ¹	485	912	427	

¹ Interest that is credited to reserve funds and not directly to activities.

Included in Expenditure Above

For the year ended 30 June:	LTCCP 2011/12	AP 2011/12	Difference 2011/12	Notes
Depreciation	12,853	13,061	208	
Interest	533	803	270	
Other Expenses	23,191	21,401	-1,790	
	36,577	35,265	-1,312	

Statement of Prospective Changes in Equity

For the year ended 30 June:	LTCCP 2011/12	AP 2011/12	Difference 2011/12	Notes
	\$'000	\$'000	\$'000	
Opening Equity	891,944	888,384	-3,560	
Net Forecast Surplus/(Deficit) from operations	4,262	-384	-4,646	
Revaluation Reserve	-	-	-	
Total recognised revenue and expenses for the year	4,262	-384	-4,646	
Closing Equity	896,206	888,000	-8,206	

Prospective Balance Sheet

This statement summarises Council's financial obligations to others and financial assets as at the end of each financial year.

As at 30 June:	LTCCP 2011/12	AP 2011/12	Difference 2011/12	Notes
CURRENT ASSETS	\$'000	\$'000	\$'000	
Cash and Cash Equivalents	374	477	103	
Trade and Other Receivables	2,939	4,307	1,368	
Inventories - development property	34	13	-21	
Other Financial Assets	6,303	10,200	3,897	
Total Current Assets	9,650	14,997	5,347	
Trade and Other Receivables	12	70	58	
Other Financial Assets	94	103	9	
Property, Plant & Equipment	889,207	877,511	-11,696	
Intangible Assets	138	126	-12	
Forestry	953	1,364	411	
Total Non-current Assets	890,404	879,174	-11,230	
TOTAL ASSETS	900,054	894,171	-5,883	
Trade and Other Payables	2,957	5,216	-2,259	
Employee Entitlements	441	494	-53	
Current Portion of Term Debt	3	3	-	
Total Current Liabilities	3,401	5,713	-2,312	
Borrowings	8	8	-	
Provisions	348	353	-5	
Other Liabilities	91	97	-6	
Total Non Current Liabilities	447	458	-11	
TOTAL LIABILITIES	3,848	6,171	-2,323	
NET ASSETS	896,206	888,000	-8,206	
Accumulated Operating Funds	39,899	25,192	-14,707	
Ratepayer Equity	219,469	219,469	-	
Revaluation Reserves	615,885	617,130	1,245	
Reserves	20,439	25,774	5,335	
Trust Funds	514	435	79	
TOTAL	896,206	888,000	-8,206	

FINANCIAL
INFORMATION

Statement of Prospective Cashflows

This statement outlines the movements of cash in and out of Council's accounts.

For the year ended 30 June:	LTCCP 2011/12	AP 2011/12	Difference 2011/12	Notes
	\$'000	\$'000	\$'000	
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash was provided from:</i>				
Rating and Sundry fees	40,349	33,968	-6,381	
Interest Income (external)	485	912	-427	
<i>Cash was applied to:</i>				
Payments to suppliers and employees	-23,740	-22,225	1,515	
NET CASH FROM OPERATING ACTIVITIES	17,094	12,655	-4,439	
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash was provided from:</i>				
Repayment of Long Term Debtors	-	-	-	
Decrease in Investments	3,398	8,042	4,644	
Decrease in Development Property	-	-	-	
<i>Cash was applied to:</i>				
Increase in Investments	-	-	-	
Purchase of Fixed Assets	-20,376	-20,644	-268	
NET CASH USED IN INVESTING ACTIVITIES	-16,978	-12,602	4,376	
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash was applied to:</i>				
Settlement of long term debt	-3	-3	-	
NET CASH AVAILABLE FROM FINANCING	-3	-3	-	
NET INCREASE/(DECREASE) IN CASH HELD	113	50	-63	
Add opening cash brought forward	261	431	170	
ENDING CASH CARRIED FORWARD	374	481	107	

Prospective Financial Statement Disclosures

Disclosures

- This document has been produced to meet legislative requirements of the Local Government Act 2002. It may not be appropriate for any other purpose.
- These financial statements comply with FRS - 42.
- Actual financial results during 2011/12 are likely to vary from the information presented, and those variations may be material.
- Actual events and transactions have not been reflected in the prospective financial statements as they have not yet taken place.
- These prospective financial statements were authorised for issue on 7 April 2011 by a resolution of Council.
- The Clutha District Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other disclosures.
- It is intended that the prospective financial statements will be reviewed and updated annually via the Annual Plan process, and three yearly via the Long Term Plan process.
- The degree of uncertainty covered by the significant forecasting assumption, and therefore the prospective financial statements increases as the years increase.

SUMMARY OF ACCOUNTING POLICIES

Reporting Entity

The Clutha District Council (“the Council or CDC”) is a territorial authority governed by the Local Government Act 2002.

The primary objective of the Council is to provide goods or services for the community or for social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate for public benefit entities.

All available public benefit entity reporting exemptions under NZ IFRS have been adopted.

Basis of Preparation

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and in future periods if the revision affects both current and future periods.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements are presented in New Zealand dollars. New Zealand dollars are the Council’s functional currency.

The following accounting policies which materially affect the measurement of results and financial position have been applied:

SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained.

Rates Revenue

Rates revenue is recognised when it is levied.

Other Revenue

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Government grants are recognised as revenue when eligibility has been established with the grantor agency. Roothing subsidies are recognised when the claims are approved by Land Transport New Zealand.

Dividends are recognised when the entitlement to receive the dividends is established.

Interest revenue is recognised on a time proportionate basis using the effective interest method.

Other Gains and Losses

Net gains or losses on the sale of property, plant and equipment, property intended for sale and financial assets are recognised when an unconditional contract is in place and it is probable that the Council will receive the consideration due.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

Leasing

Leases which effectively transfer to the lessee substantially all the risks and benefits incident to ownership of the leased item are classified as finance leases.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases.

(a) The Council as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Council's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Council's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

(b) The Council as Lessee

Assets held under finance leases are recognised as assets of the Council at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

(c) Lease Incentives

Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

Taxation

The Council is exempt from Income Tax in accordance with the Income Tax Act 2004, Section CW32.

Goods and Services Tax

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and other short-term highly liquid investments that are readily convertible to a known amount of cash.

Financial Instruments

Financial assets and financial liabilities are recognised on the Council's Statement of Financial Position when the Council becomes a party to contractual provisions of the instrument. The Council is party to financial instruments as part of its normal operations. These financial instruments include cash and cash equivalents, other financial assets, trade and other receivables, trade and other payables and borrowings. The relevant accounting policies are stated under separate headings.

Investments are recognised and de-recognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss which are initially valued at fair value.

(i) Financial Assets

Financial Assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The effective interest method, referred to below, is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial asset:

- Has been acquired principally for the purpose of selling in the near future;
- Is a part of an identified portfolio of financial instruments that the Council manages together and has a recent actual pattern of short-term profit-taking; or
- Is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the Statement of Financial Performance. The net gain or loss is recognised in the Statement of Financial Performance and incorporates any dividend or interest earned on the financial asset. Fair value is

determined in the manner described later in this note.

The Council has classified its managed funds, held with ING, as financial assets at fair value through profit or loss. This fund includes cash, bonds and tradable securities.

Held-to-Maturity Investments

Investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis. The Council does not hold any financial assets in this category.

Available-for-Sale Financial Assets

Available-for-sale financial assets are those that are designated as fair value through equity or are not classified in any of the other categories. This category encompasses investments that Council intends to hold long-term but which may be realised before maturity and equity securities that Council holds for strategic purposes.

Equity securities held by the Council have been classified as being available-for-sale and are stated at fair value. Fair value is determined in the manner described later in this note. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, with the exception interest calculated using the effective interest method and impairment losses which are recognised directly in the Statement of Financial Performance. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in the Statement of Financial Performance for the period.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. An allowance for doubtful debts is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is expensed in the Statement of Financial Performance.

Loans, including loans to community organisations made by the Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Financial Performance as a grant.

Money Market Deposits and Sinking Funds are included within this classification. Until 1 July, 1998 in certain circumstances funds were required to be set aside each year to meet future payments of loans and commitments. These funds, described as Sinking Funds, are administered by an independent body of Sinking Fund Commissioners appointed by the Council. The funds are included in the Statement of Financial Position. The Council drew down the sinking funds in 2007 to discharge the related liabilities..

Dividends on available-for-sale equity securities are recognised in the Statement of Financial Performance when the Council's right to receive payments is established.

Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent the carrying amount of the investment at the date of impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Financial Liabilities

Trade and Other Payables

Trade payables and other accounts payable are recognised when the Council becomes obliged to make future payments resulting from the purchase of goods and services. Trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the Statement of Financial Performance over the period of the borrowing using the effective interest method.

(iii) Derivative Financial Instruments

From time to time the Council enters into certain derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps. Further details of derivative financial instruments are disclosed in Note 26 to the financial statements.

The Council does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date.

Derivative instruments entered into by the Council do not qualify for hedge accounting. The resulting gain or loss is recognised in the Statement of Financial Performance immediately.

There were no derivative financial instruments held by Council at 30 June 2009 or 30 June 2008.

Fair Value Estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Council is the current bid price; the appropriate quoted market price for financial liabilities is the current offer price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term investment and debt instruments held.

Embedded Derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not measured at fair value with changes in fair value recognised in the Statement of Financial Performance.

Inventories

Development Properties

Development properties classified within Inventory are stated at the lower of cost or net realisable value. Cost includes planning expenditure and any other expenditure to bring the development property to its present condition.

Other inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis with an appropriate allowance for obsolescence and deterioration.

Property, Plant and Equipment

The Council has the following classes of property, plant and equipment:

(a) Operational Assets

Land, buildings, furniture and equipment, plant and motor vehicles, land under forests and library books.

(b) Infrastructural Assets

Infrastructural assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function:

- Roads, bridges and lighting
- Land under roads
- Stormwater
- Wastewater
- Water

The nature of land under roads is considered equivalent to land improvements and as such it does not incur a loss of service potential over time. Accordingly land under roads assets are not depreciated.

Cost/Valuation

Property, plant and equipment is recorded at cost or valuation (as appropriate) less accumulated depreciation and any accumulated impairment losses.

All assets are valued at cost, except for the following:

- Stormwater, wastewater and water infrastructural assets were valued at depreciated replacement value as at 30 June 2009 by Council staff and reviewed by Opus International Limited. Additions subsequent to 30 June 2009 are valued at cost. Stormwater, wastewater and water assets are revalued every 3 years.
- The roading infrastructural assets (excluding land under roads) were revalued on a depreciated replacement value at 30 June 2009 by MWH Limited. Subsequent additions are recorded at cost. Roading assets are revalued every 3 years.

All valuations are carried out or reviewed by independent qualified valuers and are carried out at least triennially. Valuations will be undertaken more regularly if necessary to ensure that no individual item within a class is included at a valuation that is materially different from its fair value.

Of the property, plant and equipment at cost the following classes are at deemed cost:

- Land and buildings - based on valuation at October 1990 with subsequent additions at cost.

Additions

Cost includes expenditure that is directly attributable to the acquisition of the assets. Where an asset is acquired for no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined then all capitalised costs are written off.

Accounting for revaluations

The Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment other than land, land under forests and land under roads. Rates are calculated to allocate the cost (or valuation) less estimated realisable value over the estimated useful life of assets.

Expenditure incurred to maintain these assets at full operating capability is charged to the Statement of Financial Performance in the year incurred.

The following estimated useful lives are used in the calculation of depreciation:

	Years	Depreciation Rate
Operational Assets		
Land	n/a	Not depreciated
Buildings	40-50	2% - 2.5%
Furniture and Equipment	3-10	10% - 33.3%
Plant and Motor Vehicles	3-10	10% - 33.3%
Land Under Forest	n/a	Not depreciated
Library Books	7	14.3%
Infrastructural Assets		
Roads - Formation	n/a	Not depreciated
Roads - Pavement (Sealed)	2-100	2%-50%
Roads - Pavement (Unsealed)	35-100	1%-2.86%
Roads - Other Roading Assets	20-150	0.6%-5%
Roads - Other	10-50	2%-10%
Roads - Bridges	50-150	0.6%-2%
Land Under Roads	n/a	Not depreciated
Stormwater	20-100	1-5%
Wastewater	20-100	1-5%
Water	20-100	1-5%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Disposal

An item of property, plant and equipment is de-recognised upon disposal or recognised as impaired when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Financial Performance in the period the asset is de-recognised.

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Forestry assets

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the Statement of Financial Performance.

The costs to maintain the forestry assets are included in the Statement of Financial Performance.

Finite life intangible assets

Finite life intangible assets are recorded at cost less accumulated amortisation. Amortisation is charged on a straight line basis over their estimated useful life. The estimated useful life and amortisation period is reviewed at the end of each annual reporting period.

(a) Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins from the date the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the Statement of Financial Performance

The useful lives and associated amortisation rates for major classes of intangible assets have been estimated as follows:

Computer Software	3 - 5 years	33%
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Impairment of Non-Financial Assets

At each reporting date, the Council reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset’s ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential. In assessing value in use for cash-generating assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for



which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of Financial Performance immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions

Provisions are recognised when the Council has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Landfill Post-Closure Costs

The Council, as operator of the District's landfill, has a legal obligation under the resource consent to provide ongoing maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognised as a liability when the obligation for post-closure care arises.

The provision is measured based on the future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with the landfill closure.

Amounts provided for landfill post-closure are capitalised to the landfill asset. Components of this are depreciated over their useful lives.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Council in respect of services provided by employees up to reporting date.

Cash Flow Statement

Cash means cash balances on hand, held in bank accounts and demand deposits the Council invests in as part of its day to day cash management.

Operating activities include cash received from all income sources of the Council and record the cash payments

made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise the change in equity and debt structure of the Council.

Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

Reserves and Council Created Reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when specified conditions are met.

Council created reserves are reserves established by Council decision. The Council may alter them without reference to third party. Transfers to and from these reserves are at the discretion of the Council.

The Council's objectives, policies and processes for managing capital are described in Note 26.

Budget Figures

The budget figures are those approved by the Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

Allocation of Overheads

Those costs of service not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

Critical accounting estimates and assumptions

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Landfill aftercare provision

Note 14 discloses an analysis of the exposure of the Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

- Infrastructural assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost (DRC) valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset; for example, the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This

risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over- or under-estimating the annual depreciation charge recognised as an expense in the statement of financial performance. To minimise this risk the Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives the Council further assurance over its useful life estimates.

Experienced independent valuers perform or review the Council's infrastructural asset revaluations.

Critical accounting estimates and assumptions cont

Critical Judgements

Management has exercised the following critical judgements in applying the Council's accounting policies for the period ended 30 June 2009:

- Classification of Property

The Council owns a number of properties that are held for service delivery objectives, primarily to provide housing to pensioners as part of the Council's elderly housing policy. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are accounted for as property, plant and equipment.

Funding Impact Statement

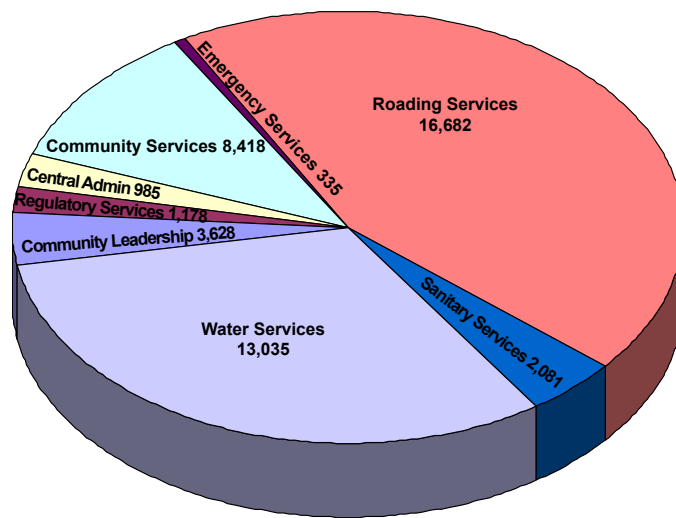
Introduction

In terms of the Local Government (Rating) Act 2002 and the Local Government Act 2002, Council is required to prepare a Funding Impact Statement disclosing the revenue and financing mechanisms it intends to use.

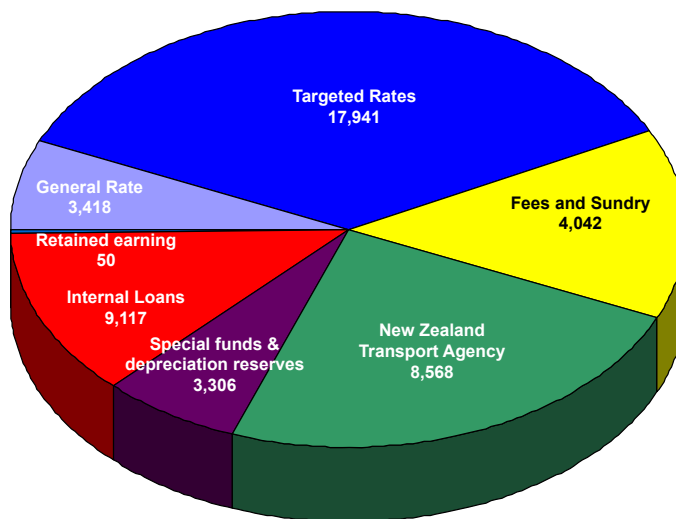
The information in this Funding Impact Statement is intended to achieve compliance with this legislation by, among other things, giving ratepayers full details of how rates are calculated.

This statement should be read in conjunction with Council's Revenue and Financing Policy which sets out Council's policies with respect to each source of funding of operating and capital expenses, i.e. the revenue and financing mechanisms to be used to cover the estimated expenses of the Council.

**Total Estimated Expenditure
2011/2012 (\$'000)**



**Funding Sources
2011/2012 (\$'000)**



FINANCIAL INFORMATION

The charts above show total estimated expenditure for the 2011/12 year, and how this expenditure will be funded.

Estimated Expenditure & Funding Statement

	LTCCP 2011/12	AP 2011/12	Diff 2011/12	Notes
ESTIMATED EXPENDITURE	(\$'000)	(\$'000)	(\$'000)	
Community Leadership	2,437	3,628	1,191	
Central Administration	1,109	985	-24	
Regulatory Services	1,228	1,178	-50	
Community Services	7,238	8,418	1,180	
Emergency Services	268	335	67	
Roading Services	22,393	16,682	-5,711	
Sanitary Services	1,976	2,081	105	
Water Services	10,651	13,035	2,384	
Total	47,300	46,342	-958	
REVENUE & FINANCING MECHANISMS				
UAGC	3,249	3,418	169	
Targeted Rates	20,025	17,499	-2,526	
Fees & Sundry (1)	6,143	4,042	-2,101	
NZ Transport Agency	10,932	8,568	-2,364	
Special Funds & Depreciation	3,232	3,306	74	
Internal Loans / Sinking Funds	3,830	9,117	5,287	
Retained Earnings	-111	50	161	
TOTAL	47,300	46,342	-958	

(1) Includes rate penalties and in-house business unit income but excludes interest income accrued in the income statement that is not used to offset expenditure.

Borrowings

The Council is undertaking internal borrowing of just over \$9.1 million in the 2011/12 financial year. These loans are to be taken out in line with the Council Liability Management Policy. The loans will be used to fund the cost of upgrades of various infrastructure assets and renewal of older loans. Interest payments and capital repayments will be funded from rates. The term of the loans will be determined at the time funds are raised.

	LTCCP 2011/12	AP 2011/12	Diff 2011/12	Notes
Total Internal and External Debt	\$'000	\$'000	\$'000	
Opening Balance	16,652	15,465	-1,187	
New Internal Loans	3,830	9,117	5,287	
Capital Repaid	-489	-578	-89	
CLOSING INTERNAL DEBT	19,993	24,004	4,011	

Detailed Description of Rate Funding Mechanisms

Council sets the following rates for the year commencing 1 July 2011 and ending 30 June 2012 in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002. All monetary values disclosed below are exclusive of GST.

DISTRICT WIDE TARGETED RATES

DISTRICT ROADING

The roading rating is split between general rates for district roading and targeted rates for local roading. District roading recognises that the roading network is used by everyone in the district. The allocation takes into account the hierarchy of roads (arterial, collector and local). The rate for district roading will be set according to the capital value of all rating units in the district, at a rate of 0.040837 cents per \$1 of capital value.

The amount to be collected is \$2,706,800 (exclusive of GST).

COMMUNITY WASTEWATER UPGRADE SUPPORT

This Community Wastewater Upgrade Support rate is used to fund investigations into establishing new sewage schemes and improving sewage disposal from existing systems. The rate for community wastewater upgrade support will be set according to the capital value of all rating units in the district, at a rate of 0.000247 cents per \$1 of capital value.

The amount to be collected is \$16,300 for 2011/12.

WASTE MINIMISATION

A waste minimisation rate will be charged at a fixed amount of \$7.50 (excl GST) per separately used or inhabited part of a rating unit. This will be used to fund waste minimisation education and the introduction of drop-off recycling facilities.

The amount to be collected is \$78,200 (exclusive of GST).

PLANNING/REGULATORY

The District Planning/Regulatory rate is used to fund the ongoing expense of managing the District Plan and fund the operation of regulatory services. It will be set on the Capital Value of all rating units in the district at a rate of 0.004392 cents per \$ of capital value.

The amount to be collected is: \$291,100 (exclusive of GST).

A 'separately used or inhabited part of a rating unit' includes any part or parts of a property that can be separately used or occupied in addition to the principal habitation or use.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

A uniform annual general charge has been set on each separately used or inhabited part of a rating unit. The UAGC is offset by income from various sources. This is also outlined in the table below.

The amount to be collected from rates is \$3,985,300 (exclusive of GST).

The UAGC will be \$384.40 (excl. GST) per separately used or inhabited part of a rating unit throughout the district.

The uniform annual general charge will be used to fund the following Council activities:

Activity	Amount \$	Amount \$
Council	703,100	67.80
District Development	648,000	62.50
Community Support	520,800	50.20
Main street improvements	31,100	3.00
Parks, reserves, sportsgrounds and playgrounds	232,800	22.50
Halls and community centres	86,100	8.30
Swimming pools	220,500	21.30
Corporate Management	402,100	38.80
Service Centres	458,600	44.20
Libraries	629,200	60.70
Animal Control	15,000	1.40
Civil Defence and Emergency Services	105,100	10.10
Cemeteries	130,200	12.60
Public Conveniences	347,000	33.50
Environmental Health	163,500	15.80
Rural Fire	64,400	6.20
Waihola Domain and Kaka Point Foreshore	31,100	3.00
Subtotal	4,788,600	
UAGC (without other income)		461.90
Other income		
Property including camping grounds	222,900	21.50
General - petrol tax and investment income	538,200	51.90
In house professional services	42,200	4.10
Subtotal	803,300	77.50
Total to be rated for (GST exclusive)	3,985,300	
TOTAL (GST exclusive)		384.40

TARGETED RATES

Local Rooding

The local rooding rate funds the construction and maintenance of roads and footpaths within a locality/rating area (including traffic services). For Balclutha and Milton the local rooding rate also includes their portion of costs of funding main street improvements.

The local rooding targeted rate has been set on a differential basis based on location and will be charged on the land value of all the rating units in the District according to the table below.

Rating area	Amount	Cents in \$ land value
Balclutha	324,400	0.32284
Clinton	31,400	0.76459
Kaitangata	98,000	1.09461
Kaka Point	35,400	0.09759
Lawrence	57,400	0.33628
Milton	139,800	0.28891
Owaka	30,200	0.44876
Stirling	21,000	0.41564
Tapanui	48,600	0.58479
Waihola	19,300	0.09734
Rural	3,892,900	0.08853
TOTAL	4,698,400	

New Footpaths

A new footpath targeted rate has been set for the areas listed below. The rate will fund the construction of new footpaths. The targeted rate will be set differentially for each area as a fixed charge for each separately used or inhabited part of a rating unit according to the table below:

Rating area	Amount	Fixed Charge
Balclutha	39,600	18.60
Clinton	3,500	18.60
Kaitangata	3,600	8.20
Kaka Point	4,800	17.20
Lawrence	2,000	5.60
Milton	34,200	31.30
Owaka	3,800	18.80
Stirling	1,400	9.20
Tapanui	4,200	9.30
Waihola	3,100	14.60
Total to be collected	100,200	

Clutha Recreation Centre

A targeted rate has been set for the Clutha Recreation Centre. The rate has been set at a uniform charge per separately used or inhabited rating unit depending upon ward. The amount of the fixed charge varies according to the proximity of the ward to the facility.

Area	Fixed Charge
Balclutha ward	34.06
Clutha Valley & Kaitangata Matau wards	25.54
Clinton & Catlins wards	17.03
Lawrence-Tuapeka & Bruce wards	10.22
West Otago ward	3.41

COMMUNITY SERVICES

The Community Services rate is used to fund Town Halls, Community Centres, Camping Grounds, Parks and Reserves, Berms Sportsgrounds (for Balclutha rating area this includes the proposed Recreation Centre), Rural Stormwater, Rural Fire, Swimming Pools.

The Community Services targeted rate has been set on a differential basis based on location and will be charged on the land value of the rating units according to the table below.

	Amount	Cents in \$ LV
Balclutha Township	481,600	0.46375
Clinton Township	24,300	0.58919
Kaitangata Township	106,400	1.17727
Kaka Point Township	7,900	0.01990
Lawrence Township	59,000	0.33851
Milton Township	159,900	0.29453
Owaka Township	19,800	0.28083
Stirling Township	2,200	0.03795
Tapanui Township	28,900	0.32634
Waiholo Township	15,900	0.06660
Rural	237,800	0.00543
Total to be collected	1,143,700	

WASTE COLLECTION CHARGES

Waste collection charges are used to fund the cost of waste collection and disposal.

An annual waste collection charge has been set as a fixed charge based on the level of service provided.

Where a Council provided collection service is available the charge is set on the basis of the number of containers of waste which the Council is prepared to collect as part of its normal waste collection service, that is, one wheelie bin per property per week.

Additional bins provided to a rating unit will be subjected to an additional charge on a per bin basis. The provision of additional bins is at the discretion of Council.

Wheelie Bin Waste Collection: \$153.20 (exclusive of GST) per waste bin.

The amount to be collected is: \$888,000 (exclusive of GST).

From 2011/12 waste collection charges will also include a fixed charge for the proposed recycling kerbside collection service. The charge has been set as a fixed charge based on the level of service provided. The service provided is in conjunction with the provision of an existing or future wheelie bin.

Recycling Bin Collection: \$18.00 (exclusive of GST) per waste bin.

The amount to be collected is: \$104,100 (exclusive of GST).

COMMUNITY BOARD TARGETED RATES

A targeted rate has been set as a fixed charge for each separately used or inhabited part (SUIP) of a rating unit for each community board area. The fixed charge for each area is the following:

Location	Amount	Per SUIP
West Otago Area	62,000	53.10
Lawrence/Tuapeka Area	62,000	66.90
Total to be collected (GST exclusive)	124,000	

These rates will fund the operations of the individual community boards. A portion of the rate collected will also fund 80% of main street improvements in Tapanui/Lawrence.

WATER SUPPLY TARGETED RATES

Township Supplies

Water rates will be applied to the operating, maintenance and capital expenditure of urban water schemes. A targeted rate for urban water supply has been set as a fixed charge for each separately used or inhabited part (SUIP) of a rating unit within the district that is either connected to one of the following schemes, or for which a connection is available for each SUIP. This targeted rate is differentiated based on the provision or availability of the service provided by Council (the categories are “connected” and “serviceable”). The rate for each scheme is shown in the table below:

Location	Amount	Connected Per SUIP	Serviceable Per SUIP
Balclutha	435,900	201.00	100.50
Benhar	20,500	401.90	-
Clinton	82,600	456.50	228.30
Kaitangata	176,200	418.50	209.30
Kaka Point	87,800	352.50	176.30
Lawrence	165,700	457.60	228.80
Milton	459,900	440.10	220.10
Owaka	51,100	214.00	107.00
Stirling/Cherry Lane	42,200	273.80	136.90
Tapanui	231,100	457.60	228.80
Waiholo	74,600	324.40	162.20
Total to be collected (exclusive of GST)	1,827,600		

Rural Supplies

Water rates will be applied to the operation, maintenance and capital expenditure for individual water supplies. Targeted rates for rural water supply have been set based on volume of water supplied to all consumers connected to the water schemes in the table below:

Location	Amount	Per Unit of Water
Balmoral 1	125,200	170.20
Balmoral 2	252,100	160.70
Clydevale/Pomahaka	546,600	310.20
Glenkenich	308,000	153.10
Moa Flat	315,800	124.10
North Bruce	315,000	163.30
Richardson	429,800	180.20
South Bruce	205,700	140.20
Tuapeka	382,300	239.70
Waipahi	185,200	273.50
Wangaloa	101,700	245.00
Total to be collected (exclusive of GST)	3,167,400	

Note: A unit of water = one cubic metre per day

SEWERAGE CHARGES

Wastewater rates will be applied to the operating and maintenance costs and capital expenditure for respective schemes. A targeted rate for wastewater has been set as a fixed charge for each separately used or inhabited part (SUIP) of a rating unit within the district which is either connected to one of the following schemes, or for which a connection is available for each SUIP. This targeted rate is differentiated based on the provision or availability of the service provided by the Council (the categories are “connected” and ‘serviceable”). The rate for each scheme is shown in the table below:

Location	Amount	Connected Per SUIP	Serviceable Per SUIP
Balclutha	422,600	195.20	97.60
Clinton	60,100	326.80	163.40
Heriot	29,500	382.90	-
Kaitangata	97,500	248.70	124.35
Kaka Point	89,600	355.60	177.80
Lawrence	112,200	350.60	175.30
Milton	215,800	214.80	107.40
Owaka	81,000	380.40	190.20
Stirling	53,400	381.50	190.75
Tapanui	117,300	257.20	128.60
Waiholā	60,500	296.80	148.40
Total to be collected (exclusive of GST)	1,339,500		

CAPITAL SEWERAGE LOAN

A targeted capital sewerage loan rate has been set as a fixed charge for each separately used or inhabited part (SUIP) of a rating unit within the historical area of Balclutha benefiting from the loan, that did not elect to make a lump sum contribution. This targeted rate is differentiated based on the provision or availability of the service provided by Council.

Location	Amount	Connected per SUIP	Serviceable per SUIP
Balclutha	38,100	68.70	34.35

These charges are to fund the debt servicing costs of loans.

STORMWATER CHARGES

Stormwater rates will be applied to the operating, maintenance and capital expenditure for individual schemes. A differentiated targeted rate has been set for stormwater as a fixed charge for each separately used or inhabited part (SUIP) of a rating unit within the district that is either connected to one of the following schemes, or for which a connection is available. This targeted rate is differentiated based on the provision or availability of the service provided by the Council (the categories are “connected” and ‘serviceable”). The rate for each scheme is shown in the table below:

Location	Amount	Connected Per SUIP	Serviceable Per SUIP
Balclutha	208,300	104.30	52.15
Clinton	17,200	108.20	-
Kaitangata	41,200	119.20	-
Kaka Point	24,800	102.70	-
Lawrence	41,300	140.00	70.00
Milton	129,000	138.90	69.45
Owaka	12,500	67.90	-
Tapanui	57,800	137.70	68.85
Total to be collected	532,100		

Payment of Rates

DUE DATES FOR PAYMENT OF RATES

All rates will be payable in four installments. The due dates for these installments are:

- Friday 26 August 2011
- Friday 25 November 2011
- Friday 24 February 2012
- Friday 25 May 2012

GOOD AND SERVICES TAX (GST)

All of the rates and amounts set out in the Funding Impact Statement do not include GST which will be added to the rates invoices at the rate of 15%.

PENALTIES

A 10% penalty is to be added on the next business day (i.e. 29 August 2011, 28 November 2011, 27 February 2012, 28 May 2012 respectively) to so much of any installment not paid on or before the due date.

Rates unpaid from previous years will incur a further 10% penalty on 1 October 2011 and again on 1 April 2012.

DISCOUNT

Council will allow a discount of 2.5% where a ratepayer pays the year's rates in full on or before the due date for the first installment of the year, being Friday, 26 August 2011.

PAYMENT OPTIONS

Rates shall be payable by any of the following ways:

Cash, cheque or EFTPOS (excluding credit cards) made at any of the following places:

- Council Office, 1 Rosebank Terrace, Balclutha
- Balclutha Information Centre, 4 Clyde Street, Balclutha
- Milton Service Centre, 124-126 Union Street, Milton
- Tapanui Service Centre, Suffolk Street, Tapanui
- Lawrence Service Centre, 5 Peel Street, Lawrence

Cheques posted to Clutha District Council, PO Box 25, Balclutha.

Monthly or quarterly direct debits

Automatic payments

Council does not accept payments by credit cards.

UNECONOMIC BALANCES

Rates set on rating units that are \$10 or less are considered uneconomic and will not be collected.