

Corporate and Operations Committee



Open Agenda



Notice is hereby given that an ordinary meeting of the Corporate and Operations Committee will be held on:

Date: Wednesday 27 February 2019
Time: 9am
Venue: Council Chambers
35 Kenrick Street
TE AROHA

Membership

Mayor

Janet E. Barnes, JP

Councillors

Matamata Ward

Brian Hunter
James Sainsbury
Kevin Tappin
Adrienne Wilcock

Morrinsville Ward

Donna Arnold
Paul Cronin
Neil Goodger
James Thomas, Deputy Mayor, JP

Te Aroha Ward

Teena Cornes
Peter Jager
Ash Tanner (Chairperson)

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1 Meeting Opening

2 Present

3 Apologies

At the close of the agenda apologies from Cr Teena Cornes had been received.

4 Notification of Urgent Business

Pursuant to clause 3.7.5 and 3.7.6 of the Standing Orders NZS 9202:2003 and Section 6A (7) of the Local Government Official Information and Meetings Act 1987, the Chairman to enquire from members whether there are any additional items for consideration which qualify as extraordinary or urgent additional business.

5 Confirmation of minutes

Minutes, as circulated, of the Ordinary Meeting of the Corporate and Operations Committee, held on 12 December 2018

Draft Annual Plan 2019/20

Trim No.: 2109592

Executive Summary

On 12 December 2018 the Committee resolved that the draft Annual Plan budget represents no significant or material difference from Year 2 of the 2018-2028 LTP, and in light of that it would not conduct formal consultation on its Annual Plan 2019/20. Staff were to prepare a communication plan for the Annual Plan 2019/20 with a focus to inform stakeholders and the wider community, this communication plan was workshopped with Council on 30 January and is attached for information.

The purpose of this report is to receive the draft Annual Plan 2019/20 document to make it available on Councils website throughout the consultation period of the ten other documents being formally consulted on (20 March – 22 April 2019) despite not formally consulting on it but rather informing the community.

Recommendation

That:

1. **The draft Annual Plan 2019/20 be received to allow the information to become available on the website throughout the consultation period.**

Content

Background

Council is required to produce an Annual Plan each year with the exception of the years when a Long Term Plan (LTP) is to be produced (triennially). 2019/20 represents Year 2 of the 2018-28 LTP. The purpose of the Annual Plan is to disclose any variation from what was proposed in the LTP.

Council has previously approved ten documents for consultation between 20 March and 22 April, these are listed below:

- Dog Bylaw
- Wastewater Bylaw
- Land Transport Bylaw
- Public Safety Bylaw (including fires bylaw proposed to be revoked)
- Legal Highs Policy
- Gambling Policy
- TAB Policy
- Fees and Charges 2019/20
- Earthquake Prone Buildings - Identifying priority thoroughfares and strategic routes
- General Policies Reserve Management Plan (2 month consultation, 20 Feb - 22 April)

On 12 December 2018 the Committee resolved that the draft Annual Plan budget represents no significant or material difference from Year 2 of the 2018-2028 LTP, and in light of that it would not conduct formal consultation on its Annual Plan 2019/20. Staff were to prepare a communication plan for the Annual Plan 2019/20 with a focus to inform stakeholders and the wider community, this communication plan was workshopped with Council on 30 January and is attached for information.

The purpose of this report is to receive the draft Annual Plan 2019/20 document to make it available on Council's website throughout the consultation period of the ten other documents being formally consulted on (20 March – 22 April 2019) despite not formally consulting on it but rather informing the community.

The draft Annual Plan is not being adopted at this time, it will be adopted on 26 June 2019.

Analysis

Legal and statutory requirements

Section 95 of the Local Government Act 2002 says that if the proposed Annual Plan does not include significant or material differences from the content of the LTP for the financial year to which the proposed Annual Plan relates then Council does not need to consult. In line with this Council has decided not to formally consult the community.

Consultation is required for the other documents listed within this report, these will be communicated with the community and they will be informed of proposed rates increases at the same time.

Impact on policy and bylaws

The outcome of the consultation process is to obtain the communities feedback on the proposals and to inform Council of their views when it comes to Council deciding whether to go through with their different proposals for the policies and bylaws.

Consistency with the Long Term Plan / Annual Plan

The Draft Annual Plan budgets have no significant or material changes from the Year 2 forecasts of the Long Term Plan 2018-28.

Impact on Significance and Engagement Policy

The Significance and Engagement Policy provides guidance on how to determine significance, and the appropriate levels of engagement in proportion to the level of significance. In general, the more significant an issue is determined to be, the greater the need for community engagement. The Policy sets out the matters which must be taken into account when assessing the degree of significance;

- there is a legal requirement to engage with the community
- the level of financial consequences of the proposal or decision
- whether the proposal or decision will affect a large portion of the community
- the likely impact on present and future interests of the community
- recognising Māori culture values and their relationship to land and water through whakapapa
- whether the proposal affects the level of service of a Significant Activity
- whether community interest is high
- whether the likely consequences are controversial
- whether community views are already known, including the community's preferences about the form of engagement
- the form of engagement used in the past for similar proposals and decisions.

Communication, consultation and decision making processes

Timeframes

The Annual Plan 2019/20 must be adopted by 30 June 2019.

Key dates for the consultation are included in the communications plan. It is proposed that the consultation proposals are published on the 20 March in the Piako Post and Matamata Chronicle.

Contribution to Community Outcomes

The proposed consultation contributes to the following Community Outcomes:

1. Our community/Iwi will be informed and have the opportunity to comment on the 10 documents being consulted on as well as rates.
2. Council's decision making will take into account cultural values and consider the different needs of our community/Iwi and the environment.

Financial Impact

i. Cost

The cost of the consultation process is funded from existing Strategies and Plans budgets.

Attachments

- A. Draft Annual Plan 2019/20
- B. Simplified Communications Plan

Signatories

Author(s)	Ellie Mackintosh Graduate Policy Planner	
	Rebecca Shaw Graduate Policy Planner	
	Larnia Weir Deputy Finance Manager	

Approved by	Sandra Harris Acting Strategic Policy Manager	
	Manaia Te Wiata Group Manager Business Support	
	Don McLeod Chief Executive Officer	

DRAFT ANNUAL PLAN 2019/20

FOR ADOPTION
26 JUNE 2019

MATAMATA-PIAKO
LIFESTYLE. OPPORTUNITIES.
HOME.

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ANNUAL PLAN 2019/20

SECTION ONE: INTRODUCTION | WHAKATAKI



WELCOME

MESSAGE FROM THE MAYOR

STAYING ON TRACK WITH WHAT WE HAD PLANNED

The Annual Plan for 2019/20 outlines what is happening for the upcoming year and if we are on track with what was planned in the Long Term Plan. This year we will not be consulting on the Annual Plan because we are not proposing any significant changes based on what was decided on in the Long Term Plan following community consultation. We still want to keep everyone involved on what is happening in the community and this Annual Plan will keep you up to date and let you know what to expect for the coming year.

We endeavour to make Matamata-Piako District a vibrant 'place of choice' for lifestyle, opportunities and home. Everything proposed in the district is completed with the purpose of aligning with our statement and making our district an even better place to live or visit, do business and an attractive place to invest.

The total rate
increase for
2019/20 will be
3.86%

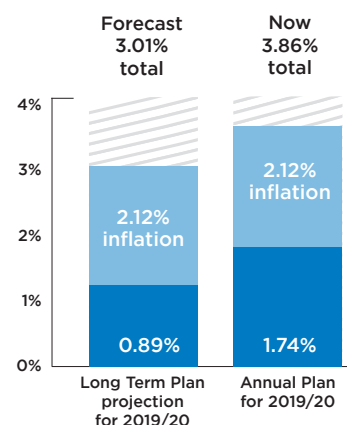


ELECTIONS

2019 is an election year and our aims for this election are to encourage more candidates to stand and to have a larger voter turnout. We believe our district is one of the best and we work hard to keep that position, but there is always room for improvement. We want to encourage candidates to come forward and tell us what they would do differently and give our community the opportunity to vote for the individual they believe represents them best.

OUR FINANCIAL POSITION

Our main focus is the people in our district and we have endeavoured to keep our rates affordable while still allowing projects to go ahead that improve the beauty and functionality of our community. Some of these improvements include increasing support for economic development, upping our game in waste minimisation, revitalising our town centres and committing money to improving our services. Our rate increase for the year 2019/20 is 3.86% slightly higher than the 3.01% increase forecasted in the Long Term Plan but below the self imposed limit of 4%. The recent property revaluation undertaken in the district and the different services received means the rate increase will affect everyone's properties differently. I encourage you to read the Annual Plan and have a look for yourself at what your rates will be on www.mpd.govt.nz/rates/propertyrates-search. If you have any questions please call our Customer Services centre for more assistance and information.



We're here to serve our community to the best of our ability and I know you will be pleased with what we are looking to achieve going forward.

Ngā mihi / Kind Regards

MAYOR JANET E. BARNES

MAYOR AND COUNCILLORS

Council has established the following governance structure:

COUNCIL

The Matamata-Piako District is divided into three wards: Matamata, Morrinsville and Te Aroha. Our Council consists of 11 Councillors, elected by their respective wards, and the Mayor, elected by all voters throughout the district. The Councillors and Mayor are elected to represent their communities and make decisions for the district. The elected representatives are supported by the Council's Chief Executive Officer and staff who provide advice, implement Council decisions, and look after the district's day to day operations.

THE CORPORATE AND OPERATIONS COMMITTEE

This committee is made up of the Mayor and all 11 Councillors. Council has delegated all of its responsibilities, duties and powers to the Corporate and Operations Committee, except for the ones it can't delegate under the Local Government Act 2002 (like adopting an Annual Plan or Report).

TE MANAWHENUA FORUM MO MATAMATA-PIAKO

Te Manawhenua Forum mo Matamata-Piako (Forum) is a standing committee of Council who advise on cultural, economic, environmental and social issues of significance to Manawhenua groups. The Forum also provides advice to Council about issues that affect Māori in our district, and provides feedback when we are developing plans and policies, such as the Long Term Plan or District Plan.

The Forum includes representatives from Council, Ngaati Hauaa, Ngaati Rahiri-Tumutumu, Raukawa, Ngaati Maru, Ngaati Whanaunga, Ngaati Paoa and Ngaati Hinerangi. Ngaati Tamatera also have the ability to join.

THE HEARINGS COMMISSION

The Hearings Commission is responsible for hearing and determining applications for resource consents under the Resource Management Act 1991, granting exemptions to fencing requirements under the Fencing of Swimming Pools Act 1987, and hearing and determining objections under the Dog Control Act 1996. The Hearings Commission is made up of five Councillors.

THE DISTRICT LICENSING COMMITTEE

Council has a District Licensing Committee to consider and determine applications under the Sale and Supply of Alcohol Act 2012. The District Licensing Committee considers and makes decisions on alcohol licences (including club, special, on and off licences and manager's certificates). The District Licensing Committee is chaired by a Councillor. Members of the committee are appointed from a list of appropriately qualified people, which may include Councillors, and two of these members sit on the District Licensing Committee.

THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ensure we have appropriate risk management and internal and financial control systems. This committee includes an independent chairperson, the Mayor and five elected members.

THE WAHAROA (MATAMATA) AERODROME COMMITTEE

The Waharoa (Matamata) Aerodrome Committee is a committee that was established in 2015 by legislation under the Ngaati Hauaa Claims Settlement Act 2014. The committee comprises of the Mayor, Deputy Mayor, one Council appointed member and three members appointed by the Ngaati Hauaa Iwi Trust Board trustees. The functions of the Waharoa (Matamata) Aerodrome Committee, as set out in the Ngaati Hauaa Claims Settlement Act 2014 are to:

- Make recommendations to Council in relation to any aspect of the administration of Waharoa Aerodrome land.
- Make final decisions on access and parking arrangements for the Waharoa Aerodrome land that affect Raungaiti Marae.
- Perform the functions of the administering body under section 41 of the Reserves Act 1977 in relation to any review of the reserve management plan that has been authorised by Council.
- Perform any other function delegated to the committee by Council.

CHIEF EXECUTIVE OFFICER PERFORMANCE COMMITTEE

Chief Executive Officer Performance Committee undertakes a review of the performance and remuneration of the Chief Executive Officer on an annual basis in accordance with the Chief Executive Officer's employment agreement. The Committee includes the Mayor, Deputy Mayor and three Councillors.

COUNCIL
COUNCILLORS & MAYOR

Council staff
Council
employs the
Chief Executive
Officer, who in
turn employs
Council staff

Corporate and
Operations
Committee

Chairperson
Ash Tanner

Te Manawhenua
Forum mo
Matamata-Piako
Chairperson
Te Ao Marama
Maaka

Hearings
Commission

No
chairperson

District Licensing
Committee
Chairperson
Teena Cornes,
Adrienne Wilcock
to take over on 4
April

Audit and Risk
Committee

Independent
Chairperson
Hon John Luxton

Waharoa
(Matamata)
Aerodrome
Co-Chairpersons
Jan Barnes
Mokoro Gillett

Chief Executive
Officer
Performance
Committee

No chairperson



JANET E. BARNES
MAYOR BARNES



TEENA CORNES
TE AROHA WARD



PETER JAGER
TE AROHA WARD



ASH TANNER
TE AROHA WARD



BRIAN HUNTER
MATAMATA WARD



JAMES SAINSBURY
MATAMATA WARD



KEVIN TAPPIN
MATAMATA WARD



ADRIENNE WILCOCK
MATAMATA WARD



JAMES THOMAS
DEPUTY MAYOR
MORRINSVILLE WARD



DONNA ARNOLD
MORRINSVILLE WARD



PAUL CRONIN
MORRINSVILLE WARD



NEIL GOODGER
MORRINSVILLE WARD

ANNUAL PLAN GUIDE

WHAT IS AN ANNUAL PLAN?

We produce an Annual Plan in the two years that we don't produce a Long Term Plan. The Annual Plan highlights any significant or material changes from the Long Term Plan.

WHY DO WE DO IT?

We are required to prepare an Annual Plan under the Local Government Act 2002. Apart from the legal requirement it also just makes good sense to revise our plans each year. When you are planning and budgeting three years out things can change, inflation, interest rates, project timing and the like can change plans so these need to be revised if we are proposing a significant or material change from the Long Term Plan.

WHAT IS A LONG TERM PLAN?

The Long Term Plan sets our direction for the next 10 years; outlining our key aims, objectives and priorities for the Matamata-Piako District. A Long Term Plan:

- Describes the type of district our communities have told us they want – our community outcomes.
- Identifies the key projects to take place over the next 10 years.
- Provides an overview of each activity we will carry out and the services we will provide for the next 10 years.
- Determines how much this will all cost and how we will fund it.

WHAT IS AN ANNUAL REPORT?

We produce an Annual Report every year. This reviews our performance, letting the community know whether we did what we said we would. It also checks financial performance against the budget and Financial Strategy.

SO WHAT'S CHANGED FROM THE LONG TERM PLAN

We are not consulting on the Annual Plan this year because we are not proposing any significant or material changes from what we planned in the Long Term Plan. We consulted on the Long Term Plan with the community before it was put in place. However, we still want to keep our community informed on what our plans are for the next year.

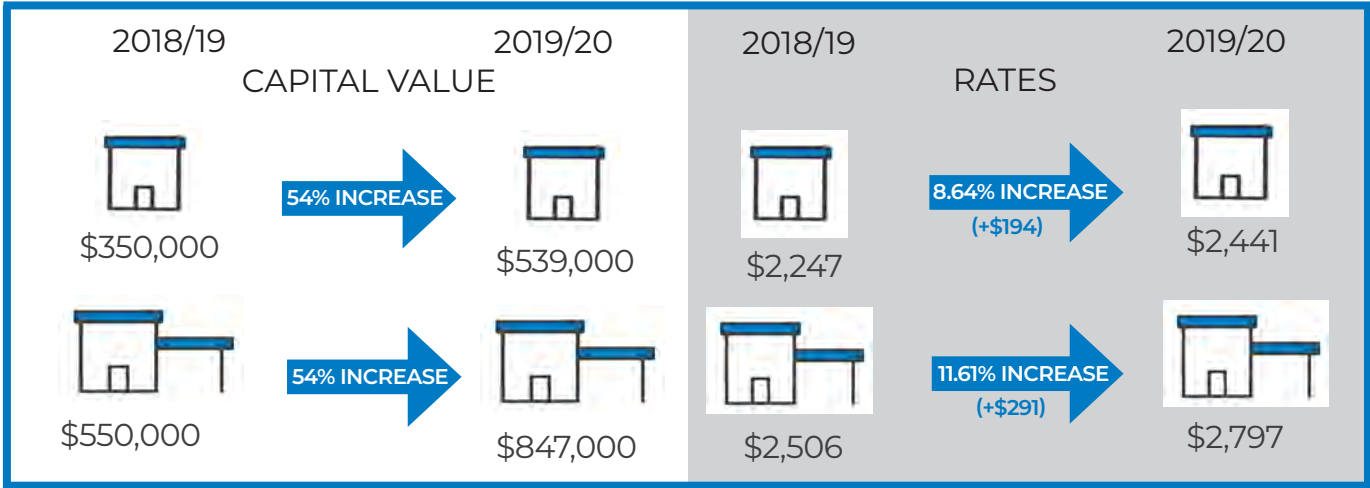


HOW MUCH WILL MY RATES BE?

Below are a range of different property types in our district, and an example of what the rates for those properties will be next year. It is important to note that the 4% limit on rates increases applies to the total amount of rates we collect from the whole district - so some properties might see a lower increase, while others have a higher one. This year the total rates collected has increased by 3.86%. How changes in rates affect individual properties depends on a number of factors including the value of your property and the services you receive (e.g. water, wastewater, rubbish collection services etc.). To see the impact on your property please visit www.mpd.govt.nz/rates/propertyrates-search

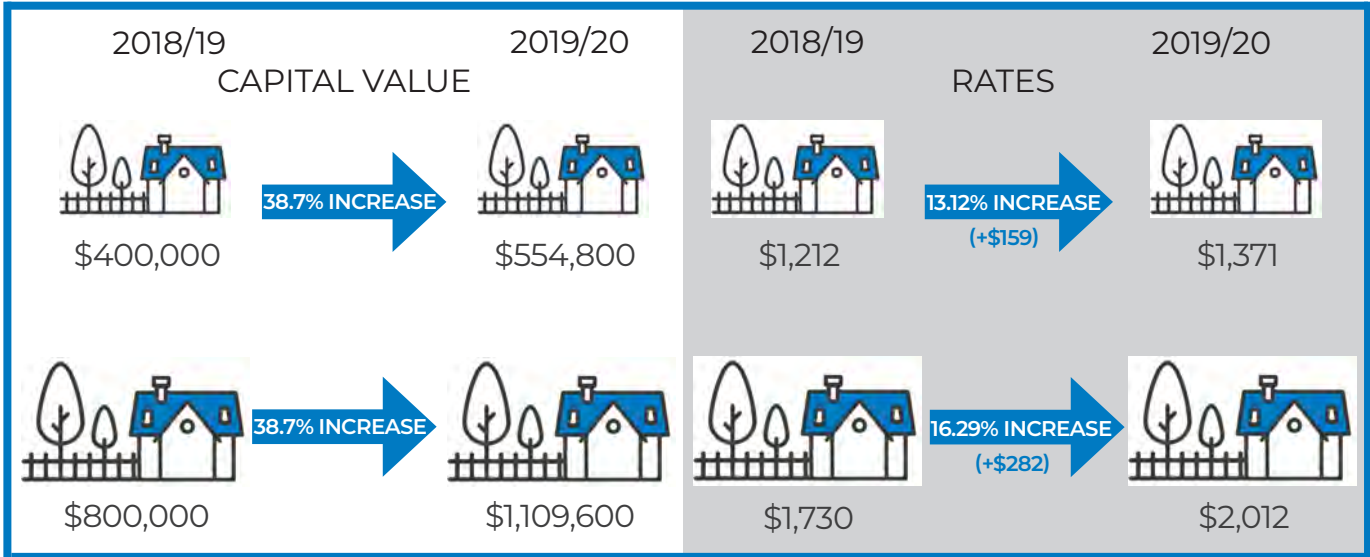
URBAN

For example, an average urban property in 2018/19 is a \$350,000 property connected to all services (water, wastewater etc.). The average increase in Capital Value for an urban property through the revaluation is 54%. Therefore we are comparing the rates on a \$350,000 property in 2018/19 to a \$539,000 property in the 2019/20 year (a 54% increase in valuation results in a 8.64% increase in rates).



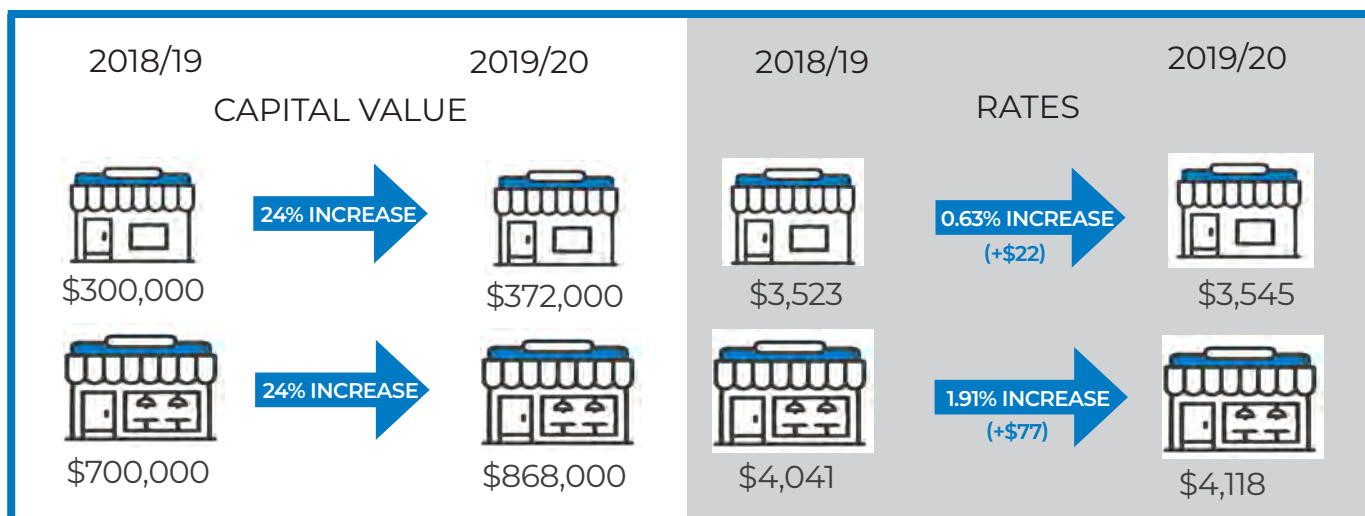
RURAL LIFESTYLE

Likewise, the average lifestyle property in 2018/19 is a \$400,000 property with no Council services connected. The average increase in Capital Value for a lifestyle property through the revaluation is 38.7%. Therefore we are comparing the rates on a \$400,000 property in 2018/19 to a \$554,800 property in the 2019/20 year (a 38.7% increase in revaluation results in a 13.12% increase in rates).



COMMERCIAL

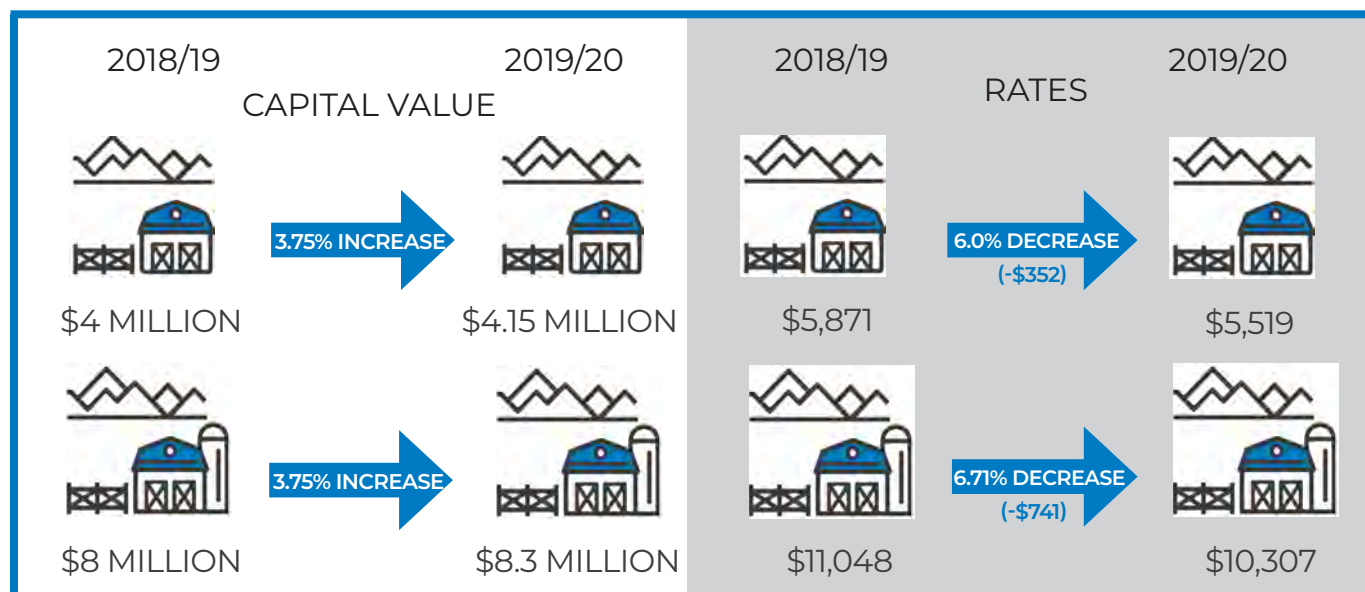
Likewise, the average commercial property in 2018/19 is a \$300,000 property with two toilets and is connected to all services. The average increase in Capital Value for a commercial property through the revaluation is 24%. Therefore we are comparing the rates on a \$300,000 property in 2018/19 to a \$372,000 property in the 2019/20 year (a 24% increase in revaluation results in a 0.63% increase in rates).



RURAL

Likewise, the average large rural property in 2018/19 is a \$4 million property with no Council services connected. The average increase in Capital Value for a large rural property through the revaluation is 3.75%.

Therefore we are comparing the rates on a \$4 million property in 2018/19 to a \$4.15 million property in the 2019/20 year (a 3.75% increase in revaluation results in a 6.0% decrease in rates).



ANNUAL PLAN 2019/20

SECTION TWO: FINANCIALS | PUUTEA



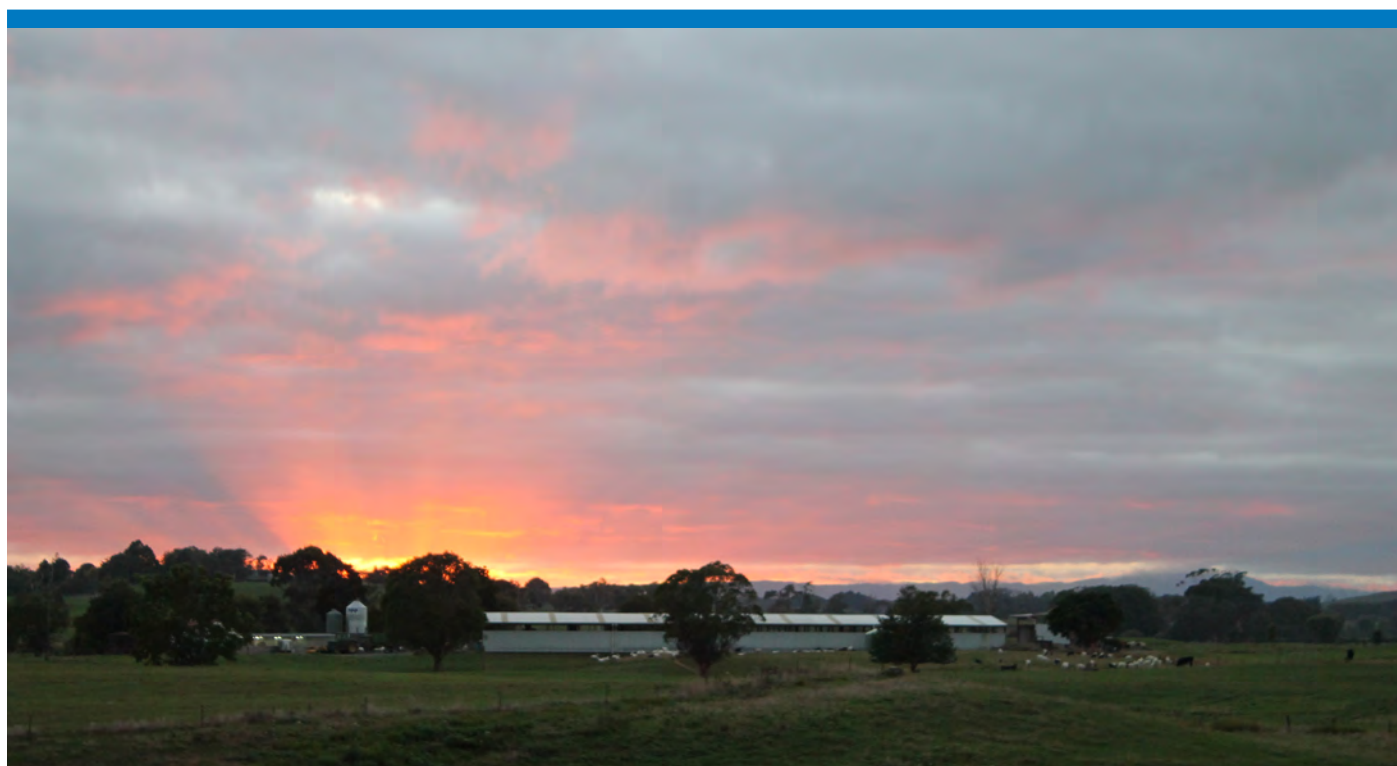
FINANCIAL STATEMENTS

FORECAST STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDING 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Revenue				
34,927	Rates	36,113	36,348	The total rate increase is 3.86%, compared to the 3.01% rate increase set out in the LTP. The 0.85% increase from the LTP is as a result of a number of minor shifts in budgets across a number of activities.
6,694	Subsidies and grants	6,000	6,846	Subsidy of \$860,000 for the Avenue Road North Stormwater Disposal project (originally budgeted in 2018/19) is now anticipated to be received from developers in 2019/20.
7,279	Fees and charges	7,586	7,401	Not all activity fees and charges have required inflationary increases as budgeted in the LTP.
254	Interest revenue	267	303	
1,370	Development and financial contributions	1,397	1,370	
461	Other revenue	470	474	
50,985	Total revenue	51,833	52,742	
Expenses				
15,869	Personnel costs	16,205	16,959	Additional positions have been budgeted compared to the LTP including developer positions, part-time event facilitators, HR administration and in Solid Waste.
14,207	Depreciation and amortisation	14,786	14,729	Depreciation is expected to be lower compared to the LTP due to the reassignment of priority for capital projects and some being carried forward.
1,373	Finance costs	1,637	1,098	Lower debt at the beginning of the financial year and the delayed completion of capital work from that forecast in the LTP has resulted in decreased debt and interest forecast for the 2019/20 year.
17,180	Other expenses	17,666	17,609	
48,629	Total expenditure	50,294	50,395	
-	Share of joint venture surplus/ (deficit)	-	-	
2,356	Surplus/(deficit)	1,539	2,347	
Other comprehensive revenue and expense				
10,415	Property, plant and equipment revaluations	10,842	12,032	
10,415	Total other comprehensive revenue and expense	10,842	12,032	
12,771	Total comprehensive revenue and expense	12,381	14,379	

FORECAST STATEMENT OF CHANGES IN EQUITY - FORECAST ENDING 30 JUNE 2020

LTP 2018/19 (\$000)		LTP 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Explanation of significant variances to the original LTP budget
592,151	Balance at 1 July	604,922	626,768	The projected opening equity has been updated to reflect our revised forecasts to the end of the 2018/19 year.
12,771	Total comprehensive revenue and expense for the year	12,381	14,379	
604,922	Balance at 1 July	617,303	641,147	
	Equity represented by:			
	Retained earnings			
	Other reserves			
	Assets revaluation reserves			
	Total equity			



FORECAST STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Current assets				
1,061	Cash and cash equivalents	1,054	1,280	
2,824	Receivables	2,882	3,958	Projected receivables has been increased to reflect the level of income accrued at year end over recent years, particularly capital subsidy income.
-	Prepayments	-	-	
650	Inventory	664	839	
-	Assets held for sale	-	-	
-	Derivative financial instruments	-	-	
9513	Other financial assets	9,636	6,945	
14,048	Total current assets	14,236	13,022	
Non-current assets				
-	Derivative financial instruments	-	-	
13,447	Investments in CCO's and other similar entities	13,447	13,814	
-	Other financial assets	-	-	
620,622	Property, plant and equipment	644,966	665,195	Revaluations have increased the value of the existing asset base above what was budgeted in the LTP.
889	Intangible assets	930	850	
634,958	Total non-current assets	659,343	679,859	
649,006	Total assets	673,579	692,881	
Liabilities				
Current liabilities				
-	Derivative financial instruments	-	-	
2,451	Payables and deferred revenue	2,651	6,475	Projected payables have been increased to reflect the level seen in recent years, with Council receiving a large balance of rates in advance of their due date, and having large payables at year end due to significant capital projects in progress.
1,500	Employee entitlements	1,532	1,661	
-	Borrowings	7,000	7,000	
84	Provisions	88	88	
4,035	Total current liabilities	11,271	15,224	
Non-current liabilities				
-	Derivative financial instruments	-	-	
450	Employee entitlements	460	460	
39,115	Borrowings	44,112	35,617	Forecast borrowings have been revised downwards as a result of delayed capital spending.
484	Provisions	433	433	
40,049	Total non-current liabilities	45,005	36,510	
44,084	Total liabilities	56,276	51,734	
604,922	Net assets	617,303	641,147	
Equity				
425,371	Accumulated funds	425,933	434,071	
179,551	Other reserves	191,370	207,076	
604,922	Total equity	617,303	641,147	

FORECAST STATEMENT OF CASHFLOWS FOR THE YEAR ENDING 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Cashflow from operating activities				
34,927	Rates revenue received	36,113	36,348	The total rate increase is 3.86%, compared to the 3.01% rate increase set out in the LTP. The 0.85% increase from the LTP is as a result of a number of minor shifts in budgets across a number of activities.
6,694	Subsidies and grants received	6,000	6,847	Subsidy of \$860,000 for the Avenue Road North Stormwater Disposal project (originally budgeted in 2018/19) is now anticipated to be received from developers in 2019/20.
7,279	Fees and Charges received	7,586	7,401	Not all activity fees and charges have required inflationary increases as budgeted in the LTP.
254	Interest received	267	303	
1,370	Development and financial contributions received	1,397	1,369	
261	Other revenue received	266	274	
-	GST (net)	-	-	
(17,180)	Payments to suppliers	(17,666)	(17,609)	
(15,869)	Payments to employees	(16,205)	(16,959)	Additional positions have been budgeted compared to the LTP including developer positions, part-time event facilitators, HR administration and in Solid Waste.
(1,373)	Interest paid	(1,637)	(1,098)	Lower debt at the beginning of the financial year and the delayed completion of capital work from that forecast in the LTP has resulted in decreased debt and interest forecast for the 2019/20 year.
16,363	Net cashflow from operating activities	16,121	16,876	
Cashflow from investing activities				
230	Repayment of loans and advances	-	-	
-	Sale of assets	-	-	
-	Proceeds from sale/maturity of investments	-	-	
(24,305)	Purchase of property, plant and equipment	(27,890)	(33,286)	The capital programme has been reprioritised with approximately \$6m in capital projects being carried forward to the next year.
(93)	Purchase of intangible assets	(235)	(230)	
-	Acquisition of investments	-	-	
(24,168)	Net cashflows from investing activities	(28,125)	(33,516)	
Cashflow from financing activities				
16,531	Proceeds from borrowings	11,997	16,859	The timing of the external borrowing has shifted due to capital projects being carried forward.
(8,500)	Repayment of borrowings	-	-	
8,031	Net cashflow from financing activities	11,997	16,859	
226	Net increase/(decrease) in cash and cash equivalents	(7)	219	
835	Opening cash and cash equivalents	1,061	1,061	
1,061	Closing cash and cash equivalents	1,054	1,280	

FINANCIAL STATEMENT NOTES

REPORTING ENTITY

Matamata-Piako District Council (the Council) is a local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

Council has a 34% interest in a jointly controlled entity, Thames Valley Combined Civil Defence Committee, together with Hauraki District Council and Thames-Coromandel District Council. Each Council has equal representation on the committee. Thames-Coromandel District Council is the administering authority.

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return. The Council has designated itself as a Public Benefit Entity (PBE) for the purpose of complying with generally accepted accounting practice.

The financial information contained within these documents is prospective financial information in terms of Financial Reporting Standard 42 Prospective Financial Statements (PBE). The purpose for which this has been prepared is to enable the public to participate in decision making processes as to the services to be provided by the Council for the 2019/20 financial year, and to provide a broad accountability mechanism of the Council to the community. The financial information in the Annual Plan may not be appropriate for purposes other than those described.

The forecast financial statements of the Council are for the year ended June 2020. The forecast financial statements were authorised for issue as part of the Annual Plan by Council on 26 June 2019. Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

BASIS OF PREPARATION

The forecast financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently to all periods presented in these forecast financial statements.

STATEMENT OF COMPLIANCE

The forecast financial statements have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). These forecast financial statements have been prepared in accordance with and comply with PBE standards.

PRESENTATION CURRENCY AND ROUNDING

The forecast financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

OPENING BALANCES

The forecast financial statements have been prepared based on expected opening balances for the year ended 30 June 2019. Estimates have been restated accordingly if required.



A CAUTIONARY NOTE

The information in the forecast financial statements is uncertain and the preparation requires the exercising of judgement. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted or we may subsequently take actions that differ from the proposed courses of action on which the forecast financial statements are based. The information contained within these forecast financial statements may not be suitable for use in another capacity.

SIGNIFICANT ACCOUNTING POLICIES

REVENUE

Revenue is measured at fair value. Revenue is recognised to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- **Rates** - General Rates, Targeted Rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue. Rates arising from late payment penalties are recognised as revenue when rates become overdue. Revenue from water-by-meter rates is recognised as it is invoiced. Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- **Private works** - The revenue from private works is recognised as revenue by reference to the stage of completion of the work at balance date.
- **New Zealand Transport Agency roading subsidies** - The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.
- **Other grants received** - Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.
- **Fees and Charges** - Fees and Charges are recognised as revenue when the obligation to pay arises or, in the case of licence fees, upon renewal of the licence.
- **Interest** - Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.
- **Dividends** - Revenue is recognised when the shareholders' right to receive the payment is established.
- **Rental revenue** - Rental revenue arising on property owned by us is accounted for on a straight line basis over the lease term.
- **Development and financial contributions** - Development and financial contributions are recognised as revenue when we provide, or are able to provide, the service for which the contribution was charged. Otherwise development and financial contributions are recognised as liabilities until such time we provide, or are able to provide, the service.
- **Building and resource consent revenue** - Fees and Charges for building and resource consent services are recognised when received or invoiced.
- **Infringement fees and fines** - Infringement fees and fines related to animal control are recognised when the payment of the fee or fine is received.
- **Vested or donated physical assets** - For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset. The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer. An exception to this is land under roads which is valued using the average land values for the urban and rural areas of the whole district as at 1 July 2001. For long-lived assets that must be used for a specific use e.g. land that must be used as a recreation reserve, the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.
- **Donated and bequeathed financial assets** - Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met e.g. as the funds are spent for the nominated purpose.

BORROWING COSTS

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

GRANT EXPENDITURE

Non-discretionary grants are 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 we have no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

LEASES

- Finance leases - A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.
- Operating leases - An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into \$NZ (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

RECEIVABLES

Short-term receivables are recorded at the amount due, less any provision for uncollectability. A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to manage interest rate risks arising from financing activities. In accordance with our treasury policies, we do not hold or issue derivative financial instruments for trading purposes. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date. The associated gains or losses are recognised in the surplus or deficit in the statement of comprehensive revenue and expense. The fair value of the derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise derivatives are classified as non-current.

The fair value of the interest rate swap is determined by calculating the expected future cashflows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves. Most market parameters are implied from instrument prices.



OTHER FINANCIAL ASSETS

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

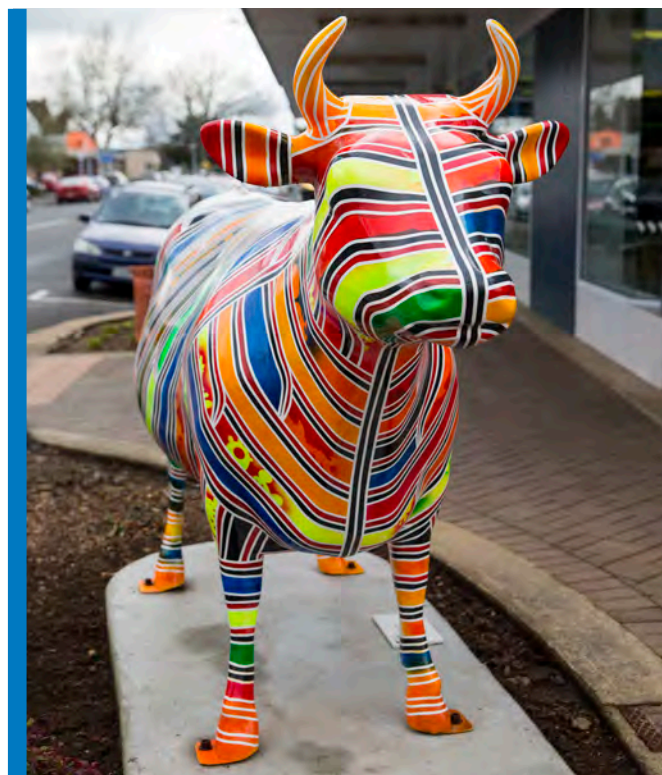
Term deposits and community, industry and developer agreement loans (loans and receivables)

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. For loans to community and other organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense.

After initial recognition, term deposits and community and other loans are measured at amortised cost using the effective interest method. Where applicable, interest accrued is added to the investment balance. At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default payments are indicators that the asset is impaired. If assets are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

Local Authority and other stock (held to maturity)

After initial recognition, Local Authority and other stock (designated as held to maturity) are measured at amortised cost using the effective interest method. At year-end, they are assessed for indicators of impairment. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments is considered to be objective evidence of impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.



Investments in Council Controlled Organisations (CCO's) and other entities (fair value through other comprehensive revenue and expense)

Investments in CCO's and other entities are designated at fair value through other comprehensive revenue and expense. After initial recognition, investments in CCO's and other entities are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. When sold, the cumulative gain or loss.

For Investments in CCO's and other entities, a significant or prolonged decline in the fair value of the shares below their cost is considered to be objective evidence of impairment. If impairment evidence exists, the cumulative loss recognised in other comprehensive revenue and expense is transferred to the surplus or deficit. Impairment losses on investments in CCO's and other entities recognised in the surplus or deficit are not reversed through surplus or deficit.

INVESTMENT IN JOINT VENTURE

We recognise our interest in our jointly controlled entity, Thames Valley Combined Civil Defence Committee, using the equity method. This investment is initially recognised at cost and the carrying amount is increased or decreased to recognise our share of the surplus or deficit of the jointly controlled entity after the date of acquisition. Our share of the surplus or deficit of the jointly controlled entity is recognised in our statement of comprehensive revenue and expense. The carrying amount of the investment is shown as shares in the statement of financial position.

INVENTORY

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the first in first out (FIFO) method), adjusted when applicable, for any loss of service potential. Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventory held for use in the production of goods and services on a commercial basis is valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method. The amount of any write down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write down. When land held for development and future resale is transferred from property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost. Costs directly attributable to the developed land are capitalised to inventory (work in progress), with the exception of infrastructural asset costs, which are capitalised to property, plant and equipment.

All other inventory is recognised at the lower of cost and net realisable value.

ASSETS HELD FOR SALE

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses for write downs of assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised. Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.



PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

- Operational assets - land, buildings, plant and machinery, furniture and equipment, computer equipment, and library collections.
- Restricted assets - parks and reserves owned by Council that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- Infrastructure assets - fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and wastewater pump stations.
- Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other classes are measured at cost less accumulated depreciation and impairment losses.

Revaluations

Land and buildings (both operational and restricted), are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. We assess the carrying values of our land and building assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. Infrastructural assets (except land under roads) are revalued annually. All other asset classes are carried at depreciated historical cost.

Revaluations of property, plant and equipment are accounted for on a class of asset basis. The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to us and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. Property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

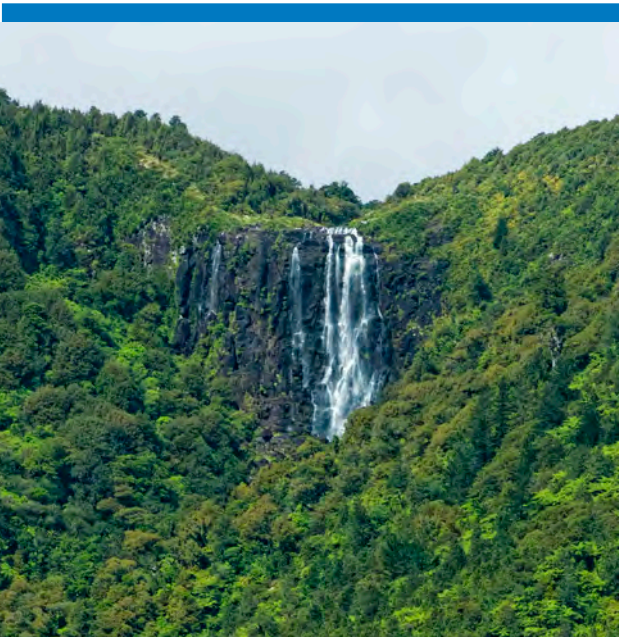
Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to us and the cost of the item can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment (other than land and the library collection), at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The library collection is depreciated on a diminishing value basis. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:



Operational assets	Useful Life	Depreciation rate
Buildings	2 to 100 years	1% - 50%
Restricted assets (buildings)	2 to 100 years	1% - 50%
Plant and machinery	2 to 10 years	10% - 50%
Furniture and equipment	2 to 20 years	5% - 50%
Computer equipment	3 to 5 years	20% - 33%
Server hard drives	1 year	100%
Library Collection	2 to 9 years	11% - 50%
Infrastructural assets		
Road network		
Street lighting	25 years	4%
Formation carriageway	100 years	1%
Pavement surfacing	7 to 50 years	2% - 14%
Pavement structure	39 to 47 years	3% - 4%
Footpaths	5 to 50 years	2% - 20%
Drainage	60 to 90 years	1% - 2%
Bridges	75 to 90 years	1% - 2%
All other	1 to 57 years	2% - 100%
Utility assets		
Buildings	50 to 80 years	1% - 2%
Wastewater mains	50 to 100 years	1% - 2%
Wastewater other	80 to 100 years	1% - 2%
Wastewater pump station equipment	1 to 120 years	1% - 100%
Wastewater service lines	50 to 100 years	1% - 2%
Water mains	40 to 88 years	1% - 3%
Water valves	35 to 80 years	1% - 3%
Water hydrants	80 years	1%
Water nodes	80 years	1%
Water pump station equipment	3 to 100 years	1% - 33%
Water service lines	40 to 88 years	1% - 3%
Stormwater mains	51 to 100 years	1% - 2%
Stormwater manholes	100 years	1%
Stormwater pumps	15 years	7%
Stormwater service lines	60 to 100 years	1% - 2%
Swale drains	Indefinite	0%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at the end of each financial year.

INTANGIBLE ASSETS

Computer software

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.

Staff training costs and costs associated with the development and maintenance of Councils website are recognised as an expense when incurred.

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 when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. Computer software is estimated to have a useful life of 1 to 15 years and is amortised at a rate of 6.67% to 100%.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

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 we would, if deprived of the asset, replace its remaining service potential. The value in use for cash generating assets is the present value of expected future cashflows.

PAYABLES AND DEFERRED REVENUE

Short-term creditors and other payables are recorded at their face value.

BORROWINGS

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after balance date.



EMPLOYEE ENTITLEMENTS

Short term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on the accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

Long term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlement information; and
- The present value of the estimated future cashflows.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Defined contribution superannuation scheme

Obligations for contributions to defined contribution superannuation schemes (such as KiwiSaver) are recognised as an expense in the surplus or deficit when incurred.

PROVISIONS

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event
- it is probable that an outflow of future economic benefits will be required to settle the obligation
- and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in 'finance costs'.

Provisions for landfill aftercare and Tui Mine site monitoring Council

As owner of three closed landfills and the former site of the Tui Mine, has a legal obligation under its resource consents to provide ongoing maintenance and/or monitoring services at the sites. Provisions for post closure and monitoring costs have been recognised as a liability. The provisions are measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provisions include all reliably known costs. The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to 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 the following components:

- accumulated funds
- other reserves:
 - Council created reserves
 - Restricted reserves
 - Asset revaluation reserves
 - Fair value through other comprehensive revenue and expense reserve.

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

Council created reserves are established by Council decision. We may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at our discretion.

Asset revaluation reserves represent unrealised gains on assets owned by us. The gains are held in the reserve until such time as the gain is realised and a transfer can be made to accumulated funds. Fair value through other comprehensive revenue and expense reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

GOODS AND SERVICE TAX (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cashflows. Commitments and contingencies are disclosed exclusive of GST.

COST ALLOCATION

The cost of service for each of our significant activities has been derived using the cost allocation system outlined below. Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity. Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area. The allocation of indirect costs to the activities of Council has also been benchmarked against neighboring local authorities for moderation.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these forecast financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions 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 period of the Long Term Plan follows:

Infrastructural assets

There are a number of assumptions and estimates used when performing depreciated replacement cost valuations on infrastructural assets. These include:

The physical deterioration and condition of an asset, for example we 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 us performing a combination of physical inspections and condition modelling assessments of underground assets; estimating any obsolescence or surplus capacity of an asset.

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 we could be over or under estimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense.

To minimise this risk, our infrastructural assets useful lives have been determined with reference to the New Zealand 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 our asset management planning activities, which gives us further assurance over its useful life estimates. Experienced independent valuers perform or undertake a peer review of our infrastructural asset revaluations.



Provisions for landfill aftercare and Tui Mine site monitoring

The cash outflows for landfill after care and site monitoring costs are expected to occur over 25 years or more. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provisions have been estimated taking into account existing technology and discounted using a discount rate of 6%.

The following assumptions have been made in the calculation of the provisions: Obligations for the work are for the period of the resource consents for these sites. Costs have been estimated based on best information and technology known at this point.

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Management has exercised the following critical judgment in applying accounting policies to these forecast financial statements:

Classification of property

We own a number of properties held to provide housing to elderly persons. The receipt of rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of our social housing policy. The properties are therefore accounted for as property, plant and equipment.

FORECAST DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Directly attributable depreciation and amortisation expense by group of activity				
2,263	Community facilities	2,338	2,446	
6,011	Roading	6,151	6,288	
23	Rubbish and recycling	42	31	
568	Stormwater	619	608	
2,474	Wastewater	2,823	2,685	
1,670	Water	1,812	1,717	
1	Strategy and engagement	1	2	
9	Consents and licensing	9	8	
Total directly attributable depreciation and amortisation expense by groups of activities				
934	Depreciation and amortisation not directly related to groups of activities	991	944	
13,953	Total depreciation and amortisation expense	14,786	14,729	



RESERVE FUNDS

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

Council created reserves are established by Council decision. We may alter them without reference to any third party or the Courts or a third party. Transfers to and from these reserves are at our discretion. Asset revaluation reserves represent unrealised gains on assets owned by us. The gains are held in the reserve until such time as the gain is realised and a transfer can be made to retained earnings. Details of the specific reserve funds held by us are as follows:

Reserve funds	Purpose	Activities related to	Forecast balance 1 July 2019	Transfers in	Funds will come from	Transfers out	Funds will be applied to	Forecast balance 30 June 2020
Council created reserves								
Community purposes reserve	Funds received and set aside for use on community facilities or for community purposes e.g. grants.	All Council activities	6,017	-	No additional funding anticipated for this annual plan	(129)	No expenditure anticipated for this annual plan	5,888
Power New Zealand reserve fund	Funds received and set aside on behalf of the community from the dissolution of the local power board co-operative in 1998. The fund is utilised for internal borrowing or external investment, with returns used to subsidise rates.	All Council activities	23,901	695	External interest from the invested portion of the fund, and internal interest from the internally borrowed portion of the fund	(698)	Annual Economic Development funding plus subsidy of rates	23,898
Wastewater capital contribution reserve	Capital contribution funds received from industry and set aside to offset future depreciation.	Wastewater	1,134	674	Annual targeted rates charged to Fonterra and Greenlea Morrinsville	(397)	Fonterra and Greenlea share interest and depreciation expenses	1,411
Depreciation reserves	Funds set aside for the replacement of assets and used to fund internal borrowing.	All Council Services	13,327	14,403	Depreciation funding and interest	(14,171)	Replacement of assets (renewals) and repayment of loans	13,559
Stormwater improvement reserve	Funds set aside to fund stormwater projects.	Stormwater	200	50	Targeted rates funding	-	No expenditure anticipated for this annual plan	250
Te Aroha Wastewater desludging project	Funds set aside to pay for the Te Aroha desludging project expected to be completed in 2015/16.	Wastewater	399	-	No additional funding anticipated	-	No expenditure anticipated for this annual plan	399
Total Council created reserves			44,978	15,822		(15,395)		45,405
Restricted reserves								
Endowment land sales reserve	Funds set aside in respect of the sale of endowment land in Te Aroha. The proceeds must be used for the provision or improvement of services and public amenities for the benefit of the inhabitants of Te Aroha.	Community facilities	110	-	Sale of endowment land(if any)	-	No expenditure anticipated for this annual plan	110
Reserves Development	Funds set aside from reserves contributions to be used for parks and reserves.	Development of parks and reserves	112	55	Financial contributions	-	No expenditure anticipated for this annual plan	167
Youth Ambassadors	Funds set aside for initiatives that empower the youth of our district.	Nominated purposes	3	10	General rates funding	(10)	Apply funding	3
Bequests and trust funds	Funds set aside to be used for the nominated purpose of the bequest or trust fund.	Nominated purposes	26	-	No additional funding anticipated	-	No expenditure anticipated for this annual plan	26
Waste minimisation	Funds set aside for the purpose of initiatives encouraging the minimisation of waste	Nominated purposes	143	130	Government funding of waste minimisation	(130)	Apply funding for waste minimisation program	143
Total restricted reserves			394	195		(140)		449
Asset revaluation reserves	Surpluses from the revaluation of property plant and equipment.	All Council activities	138,563	12,032	Assets revaluation	-	Assets revaluation	150,595
Fair value through other comprehensive revenue and expense reserve	Net change in fair value of financial assets.	All Council activities	10,627	-	Financial assets revaluation	-	Financial assets revaluation	10,627

RECONCILIATION BETWEEN THE FUNDING IMPACT STATEMENT AND STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

The funding impact statement is prepared in compliance with the requirements of clause 15, part 1, schedule 10 of the Local Government Act 2002. Unlike the statement of comprehensive revenue and expense, the funding impact statement is not compliant with generally accepted accounting standards (GAAP). The funding impact statement is intended to show in a transparent manner, how all sources of funding received by us are applied. It does not include "non-cash" that is classified as income on the statement of comprehensive revenue and expense (as required by GAAP) such as assets that are vested to us through the subdivision process, or unrealised gains on assets. The statement of comprehensive revenue and expense also requires "non-cash" expenses such as depreciation, amortisation, and unrealised losses of assets to be reflected, whereas these are excluded from the funding impact statement. The reconciliation below identifies the differences between these two statements.

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20
(\$000)		(\$000)	(\$000)
Funding sources as shown in the overall Council funding impact statement			
44,740	Total operating funding	46,338	46,633
13,419	Total capital funding	16,617	22,314
Less capital movements			
8,032	Increase/(decrease) in debt	11,996	16,860
-	- Gross proceeds from sale of assets	-	-
Add non-funded income			
200	Vested assets	204	200
-	- Other gains	-	-
658	Income from support activities	670	455
50,985	Total funding sources	51,833	52,742
50,985	Total income as shown in the statement of comprehensive revenue and expense	51,833	52,742
Application of funding as shown in the overall Council funding impact statement			
33,764	Total applications of operating funding	34,838	35,211
24,395	Total applications of capital funding	28,117	33,736
Less capital movements			
24,397	Capital expenditure	28,125	33,517
(2)	Increase (decrease) in reserves	(8)	219
-	- Increase (decrease) in investments	-	-
Add non-funded expenditure			
14,207	Depreciation and amortisation	14,786	14,729
-	- Other losses	-	-
658	Expenses from support activities	670	455
48,629	Total funding application	50,294	50,395
48,629	Total expenditure as shown in the statement of comprehensive revenue and expense	50,294	50,395

FUNDING IMPACT STATEMENT

Funding impact statement for 1 July 2019 to 30 June 2020 for whole of Council

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation and variances from the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
22,530	General Rates, uniform annual general charges, rates penalties	23,282	23,836	Increased rate requirement to fund increased costs.
12,397	Targeted Rates	12,831	12,513	Estimated depreciation for Wastewater has reduced compared to the LTP, resulting in a reduced requirement from rates.
2,677	Subsidies and grants for operating purposes	2,776	2,773	
6,621	Fees and Charges	6,916	6,988	
254	interest and dividends from investments	267	257	
261	Local authorities fuel tax, fines, infringement fees, and other receipts	266	266	
44,740	Total operating funding (A)	46,338	46,633	
Applications of operating funding				
32,391	Payments to staff and suppliers	33,201	34,115	Estimated costs have increased over a number of areas including for additional staffing requirements, building maintenance costs, higher cemetery costs, an increase in the cost of the waste management contract, and compliance costs in the wastewater and water activities.
1,373	Finance costs	1,637	1,096	Lower debt at the beginning of the financial year and the delayed completion of capital work from that forecast in the LTP has resulted in decreased debt and interest forecast for the 2019/20 year.
-	Other operating funding applications	-	-	
33,764	Total applications of operating funding (B)	34,838	35,211	
10,976	Surplus (deficit) of operating funding (A – B)	11,500	11,422	
Sources of capital funding				
4,017	Subsidies and grants for capital expenditure	3,224	4,084	Subsidy of \$860,000 for the Avenue Road North Stormwater Disposal project (originally budgeted in 2018/19) is now anticipated to be received from developers in 2019/20.
1,370	Development and financial contributions	1,397	1,370	
8,032	Increase (decrease) in debt	11,996	16,860	The timing of the external borrowing has shifted due to capital projects being carried forward.
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
13,419	Total sources of capital funding (C)	16,617	22,314	
Applications of capital funding				
Capital expenditure				
687	—to meet additional demand	677	677	
9,486	—to improve the level of service	13,550	18,669	A number of projects have been reprioritised and carried forward from 2018/19 to 2019/20.
14,224	—to replace existing assets	13,898	14,171	Some projects has been carried forward from 2018/19 to 2019/20.
(2)	Increase (decrease) in reserves	(8)	219	
-	Increase (decrease) of investments	-	-	
24,395	Total applications of capital funding (D)	28,117	33,736	
(10,976)	Surplus (deficit) of capital funding (C – D)	(11,500)	(11,422)	
-	Funding balance ((A – B) + (C – D))	-	-	

CALCULATION OF RATES

For 1 July 2019 to 30 June 2020

(These rates shown are inclusive of GST)

GENERAL RATES			TARGETED RATES		
Source		General Rate	Uniform annual general charge	Stormwater	Waste management
Category		All rateable land in the Matamata-Piako District		Rating units within serviced areas	Rating units within serviced areas
How the rate will be calculated		Per dollar of capital value	Uniform charge per rating unit	Uniform charge per rating unit within the townships of Matamata, Morrinsville, Te Aroha and Waharoa	Uniform charge per separately used or inhabited part of a rating unit to which the service is available
LTP 2018/19	\$	0.00129420	694.47	94.05	29.10
LTP 2019/20		0.00133403	714.53	97.27	29.67
Annual Plan 2019/20		0.00133403	730.73	92.15	29.76

TARGETED RATES									
Source	Wastewater (sewage disposal)								
Category	Connected single residential house		Connected non-single residential, and non-residential properties						Serviceable properties within 30 metres of Council's Wastewater reticulation network
How the rate will be calculated	Uniform charge per connected rating unit	Uniform charge per rating unit for the first pan on all connected properties, and:	Additional uniform charge per pan (excluding the first pan) for properties with up to 4 pans	Or additional uniform charge per pan (excluding the first pan) for properties with up to 10 pans	Or additional uniform charge per pan (excluding the first pan) for properties with up to 15 pans	Or additional uniform charge per pan (excluding the first pan) for properties with up to 20 pans	Or additional uniform charge per pan (excluding the first pan) for properties with more than 20 pans	Uniform charge per rating unit to which the service is available (but not connected)	
LTP 2018/19	\$	670.40	670.40	670.40	569.84	536.32	502.80	469.28	335.20
LTP 2019/20		675.76	675.76	675.76	574.40	540.61	506.82	473.03	337.88
Annual Plan 2019/20		648.48	648.48	648.48	551.20	518.61	486.36	453.93	324.24

TARGETED RATES									
Source	Industry contributions to the Morrinsville wastewater treatment plant upgrade		Water supply		Water supply (metered) *				
Category	18 Allen Street, Morrinsville	38 Pickett Place Morrinsville	Connected properties	Serviceable properties within 100 metres of Council's water reticulation network	Metered supply (general)	Metered supply raw water Te Aroha West	Metered supply Braeside Aquaria 1981	Inghams Enterprises (NZ) Pty Ltd supply**	Matamata farm properties***
How the rate will be calculated	Uniform charge per specified rating unit		Uniform charge per separately used or inhabited part of a rating unit to which the service is connected and provided	Uniform charge per separately used or inhabited part of a rating unit to which the service is available (but not connected)	Charge per cubic metre of water consumed (as measured by meter) over and above the first 82 cubic metres of water consumed per quarter or the first 27 cubic metres consumed per month	Charge per cubic metre of water consumed (as measured by meter) over and above the first 82 cubic metres of water consumed per quarter or the first 27 cubic metres consumed per month in the Te Aroha West supply area	Charge per cubic metre of water consumed (as measured by meter) over and above the first 82 cubic metres of water consumed per quarter or the first 27 cubic metres consumed per month for Braeside Aquaria	Charge per cubic metre of water consumed (as measured by meter) over and above the first 82 cubic metres of water consumed per quarter or the first 27 cubic metres consumed per month for Inghams Factory, Waitoa	Charge per cubic metre of water consumed (as measured by meter) over and above the first 82 cubic metres of water consumed per quarter or the first 27 cubic metres consumed per month for Matamata farm properties that contain the Matamata trunk main from Tills Road
LTP 2018/19	596,651.16	189,406.28	306.22	153.11	1.28	0.92	0.66	0.60	1.28
LTP 2019/20	596,651.16	189,406.28	316.70	158.35	1.31	0.94	0.67	-	1.31
Annual Plan 2019/20	588,118.51	186,697.60	318.09	159.05	1.28	0.92	0.66	1.28	1.28

*Targeted Rates for a metered water supply are charged in addition to a uniform charge per separately used or inhabited part of a rating unit to which the service is connected and provided.

** The balance (cost) is invoiced as per a separate contract with Inghams Enterprises (NZ) Pty. The current contract expires in 2018/19.

*** A 50% discount will be applied to this rate if the invoice is paid by the due date.

TARGETED RATES							
Source		Targeted rural hall rates will apply to all land within the hall rating area as listed					
Category		Tauhei	Hoe-O-Tainui	Springdale	Kiwitahi	Patetonga	Wardville
How the rate will be calculated		Per dollar of land value					
LTP 2018/19	\$	0.00009781	0.00002682	0.00001481	0.00001951	0.00003045	0.00001934
LTP 2019/20		0.00009988	0.00002739	0.00001512	0.00001992	0.00003109	0.00001975
Annual Plan 2019/20		0.00009781	0.00002682	0.00001481	0.00001951	0.00003045	0.00001934

TARGETED RATES									
Source		Targeted rural hall rates will apply to all land within the hall rating area as listed							
Category		Tahuna	Mangateparu	Kereone	Tatuanui	Walton	Okauia	Hinuera	Piarere
How the rate will be calculated		Uniform charge per rating unit					Per dollar of capital value		
LTP 2018/19	\$	38.20	34.80	41.50	61.80	30.00	0.00001549	0.00001401	0.00001781
LTP 2019/20		39.01	35.54	42.38	63.11	30.64	0.00001582	0.00001431	0.00001819
Annual Plan 2019/20		38.20	34.80	41.50	61.80	30.00	0.00001549	0.00001401	0.00001781

TARGETED RATES						
Source		Targeted rural hall rates will apply to all land within the hall rating area as listed				
Category		Mangaiti	Waihou	Elstow	Manawaru	Te Poi
How the rate will be calculated		Uniform charge per separately used or inhabited part of a rating unit				
LTP 2018/19	\$	12.65	20.20	21.60	25.80	36.80
LTP 2019/20		12.92	20.63	22.06	26.35	37.58
Annual Plan 2019/20		12.65	20.20	21.60	25.80	36.80

GST

The calculation of rates is shown inclusive of GST at the current rate of 15%. Any future changes in the rate of GST would need to be applied to these rates as appropriate.

REVENUE AND FINANCING POLICY

The rationale for the selection of various funding sources is set out in our Revenue and Financing Policy.

SEPARATELY USED OR INHABITED PART OF RATING UNIT

A separately used or inhabited part of a rating unit is any part of a rating unit that is or is able to be separately used or inhabited by the ratepayer, or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.

STORMWATER SERVICED AREAS

These are the rating units within the residential, business and industrial zones in Council's Operative District Plan within the townships of Matamata, Morrinsville, Te Aroha and Waharoa.

WASTE MANAGEMENT SERVICED AREAS

These areas are detailed in the Waste Management Serviced Areas Map (June 2015) which can be found in the pages following and on our website: www.mpd.govt.nz/plans/long-term-plan

HALL RATING AREAS

These areas are detailed in the Hall Rating Areas Map (1989) which can be found in the pages following and on our website www.mpd.govt.nz/plans/long-term-plan

LUMP SUM CONTRIBUTIONS

The Council does not invite lump sum contributions for any targeted rates.

ANNUAL PLAN 2019/20

SECTION THREE: WHAT WE DO I MAHI AA ROOPU



COMMUNITY FACILITIES AND PROPERTY

WHAT WE DO

Community Facilities and Property is about providing facilities for sport, recreation and cultural activities, affordable housing for elderly people, and buildings and facilities that enable us to provide a range of services to the community. The activities responsible for this are Carparks and Street Furniture, Cemeteries, Housing and Property Management, Libraries, Parks and Tracks, Pools and Spas, Public Toilets and Recreation Facilities and Heritage.

WHY DO WE DO THESE ACTIVITIES

Community Facilities and Property provides a wide range of community facilities (like pools, libraries, and events centres), tourist attractions (such as Firth Tower Museum and the Te Aroha Mineral Spas), open spaces (including parks and tracks), through to practical facilities (like public toilets, carparks and cemeteries). This activity is also responsible for managing housing for elderly people and a variety of Council properties. These activities all help make Matamata-Piako District the place of choice.

WHAT HAS CHANGED FROM THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mpdc.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

- our vision and community outcomes
- key drivers
- our responses
- significant effects
- how we fund it
- key legislation, strategies, policies and plans
- our projects for the next 10 years
- levels of service



FUNDING IMPACT STATEMENT

COMMUNITY FACILITIES- 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
8,822	General rates, uniform annual general charges, rates penalties	9,190	9,488	Rates required have increased in line with estimated increased costs including staff costs for the aquatic facilities, building maintenance, cemetery and library costs.
75	Targeted rates	77	64	
4	Subsidies and grants for operating purposes	4	4	
2,775	Fees and charges	2,834	2,969	Estimated income for spas and other facilities has been increased in line with trends from recent years.
160	Internal charges and overheads recovered	160	190	
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	
11,836	Total operating funding (A)	12,265	12,715	
Applications of operating funding				
7,713	Payments to staff and suppliers	7,876	8,027	Estimated increased costs include staff costs for the aquatic facilities, building maintenance, cemetery and library costs.
186	Finance costs	310	175	Estimated finance cost is lower as \$1.4 million in capital projects budgeted for completion in 2018/19 (including the Headon Stadium upgrade, Waharoa playground, future-proofing of the office, and splash pads) will not be completed in the budgeted year, thereby reducing opening debt and finance costs.
1,814	Internal charges and overheads applied	1,839	2,085	
-	Other operating funding applications	-	-	
9,713	Total applications of operating funding (B)	10,025	10,287	
2,123	Surplus (deficit) of operating funding (A - B)	2,240	2,428	
Sources of capital funding				
-	Subsidies and grants for capital expenditure	-	-	
55	Development and financial contributions	56	55	
3,317	Increase (decrease) in debt	3,454	5,170	The timing of the external borrowing has shifted due to capital projects being carried forward.
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
3,372	Total sources of capital funding (C)	3,510	5,225	
Applications of capital funding				
Capital expenditure				
-	—to meet additional demand	-	-	
3,708	—to improve the level of service	4,521	5,848	\$1.4 million in capital projects budgeted for completion in 2018/19 (including the Headon Stadium upgrade, Waharoa playground, future-proofing of the office, and splash pads) will not be completed in the budgeted year, and have been carried forward to 2019/20.
1,549	—to replace existing assets	1,142	1,445	Renewal projects are expected to be carried forward from 2018/19 to 2019/20.
238	Increase (decrease) in reserves	87	360	
-	Increase (decrease) of investments	-	-	
5,495	Total applications of capital funding (D)	5,750	7,653	
(2,123)	Surplus (deficit) of capital funding (C - D)	(2,240)	(2,428)	
-	Funding balance ((A - B) + (C - D))	-	-	

STRATEGY AND ENGAGEMENT

WHAT WE DO

Strategy and Engagement is about making good decisions for the future of our community. The activities responsible for this are Civil Defence, Communications and Events, Community Leadership, and Strategies and Plans.

WHY DO WE DO THESE ACTIVITIES

These activities ensure our community are informed of Council activities and can be involved in open and transparent decision making - this helps us plan for the long term to ensure that our communities grow and develop in an integrated and sustainable way. The Local Government Act 2002 also has a significant impact on these activities, as it sets a number of legislative requirements that we must meet.

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

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FUNDING IMPACT STATEMENT

STRATEGY AND ENGAGEMENT - 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
4,102	General rates, uniform annual general charges, rates penalties	4,201	4,211	
-	Targeted rates	-	-	
-	Subsidies and grants for operating purposes	-	-	
129	Fees and charges	142	176	
318	Internal charges and overheads recovered	311	411	
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	
4,549	Total operating funding (A)	4,654	4,798	
Applications of operating funding				
2,828	Payments to staff and suppliers	2,898	3,029	Budget increased for additional training to follow the election, elected member remuneration and regional coordination initiatives.
1	Finance costs	5	27	
1,481	Internal charges and overheads applied	1,506	1,562	
-	Other operating funding applications	-	-	
4,310	Total applications of operating funding (B)	4,409	4,618	
239	Surplus (deficit) of operating funding (A - B)	245	180	
Sources of capital funding				
-	Subsidies and grants for capital expenditure	-	-	
-	Development and financial contributions	-	-	
98	Increase (decrease) in debt	250	291	
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
98	Total sources of capital funding (C)	250	291	
Applications of capital funding				
Capital expenditure				
-	—to meet additional demand	-	-	
-	—to improve the level of service	-	-	
1,078	—to replace existing assets	1,262	1,261	
(741)	Increase (decrease) in reserves	(767)	(790)	
-	Increase (decrease) of investments	-	-	
337	Total applications of capital funding (D)	495	471	
(239)	Surplus (deficit) of capital funding (C - D)	(245)	(180)	
-	Funding balance ((A - B) + (C - D))	-	-	

ROADING

WHAT WE DO

We own and maintain 1,008 kilometres of local roads within the district, including 948 kilometres sealed and 60km unsealed roads. These are all the roads in the district except for state highways (which include Broadway and Firth Street in Matamata, Allen Street in Morrinsville and Whitaker/Kenrick Streets in Te Aroha), which are managed by the New Zealand Transport Agency (NZTA). The roading network also covers the cycleways and footpaths, and includes bridges and structures, street lighting, road signage and markings, and on-street parking within the road corridor.

WHY DO WE DO THESE ACTIVITIES?

Roads provide for a wide variety of users, with diverse needs, including private and commercial car drivers and passengers, freight operators, public transport users, farm and machinery operators, cyclists and pedestrians. They also support and enable economic growth and, when designed appropriately, enhance living environments and amenity. In addition to providing access to properties, the road corridor is also where utilities are usually located (e.g. gas, power, telecommunications, water, sewer and stormwater).

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mppdc.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

- our vision and community outcomes
- key drivers
- our responses
- significant effects
- how we fund it
- key legislation, strategies, policies and plans
- our projects for the next 10 years
- levels of service



FUNDING IMPACT STATEMENT

ROADING - 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
6,922	General rates, uniform annual general charges, rates penalties	7,239	7,469	Increased rate requirement to fund increased estimated costs.
-	Targeted rates	-	-	
2,553	Subsidies and grants for operating purposes	2,649	2,639	
147	Fees and charges	148	171	
248	Internal charges and overheads recovered	243	253	
230	Local authorities fuel tax, fines, infringement fees, and other receipts	235	230	
10,100	Total operating funding (A)	10,514	10,762	
Applications of operating funding				
5,847	Payments to staff and suppliers	6,136	6,257	Maintenance costs for the Hauraki Rail Trail agreement (finalised since the LTP adoption) were higher than initially budgeted.
423	Finance costs	432	374	The delay in the timing of the Rail Trail extension project has resulted in savings in interest costs.
892	Internal charges and overheads applied	897	950	
-	Other operating funding applications	-	-	
7,162	Total applications of operating funding (B)	7,465	7,581	
2,938	Surplus (deficit) of operating funding (A - B)	3,049	3,181	
Sources of capital funding				
3,157	Subsidies and grants for capital expenditure	3,224	3,224	
328	Development and financial contributions	335	328	
683	Increase (decrease) in debt	1,685	1,275	
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
4,168	Total sources of capital funding (C)	5,244	4,827	
Applications of capital funding				
Capital expenditure				
62	—to meet additional demand	192	192	
1,468	—to improve the level of service	2,483	2,428	
5,480	—to replace existing assets	5,596	5,480	
96	Increase (decrease) in reserves	22	(92)	
-	Increase (decrease) of investments	-	-	
7,106	Total applications of capital funding (D)	8,293	8,008	
(2,938)	Surplus (deficit) of capital funding (C - D)	(3,049)	(3,181)	
-	Funding balance ((A - B) + (C - D))	-	-	

RUBBISH AND RECYCLING

WHAT WE DO

We currently provide kerbside rubbish and recycling collection services to over 9,500 properties across the district, as well as operating three transfer stations located at Matamata, Morrinsville and Waihou. We provide waste minimisation and sustainability education to schools across the district. We also have three closed landfills at Matamata, Morrinsville and Waihou that we monitor under the terms of their resource consents to ensure they do not pose a risk to the environment or public health.

WHY DO WE DO THESE ACTIVITIES

Our day to day lives generate a lot of waste that must be managed for the health of our community and our environment. We are committed to providing and promoting sustainable waste management options to protect our environment for current and future generations. As part of the 2017 Eastern Waikato Waste Minimisation Management Plan (WMMP) we have committed to reduce the total amount of general waste sent to landfill from our district.

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mpdc.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

- our vision and community outcomes
- key drivers
- our responses
- significant effects
- how we fund it
- key legislation, strategies, policies and plans
- our projects for the next 10 years
- levels of service



FUNDING IMPACT STATEMENT

RUBBISH AND RECYCLING - 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
583	General rates, uniform annual general charges, rates penalties	507	629	Increased rate requirement to fund increased estimated costs.
249	Targeted rates (other than a targeted rate for water supply)	256	256	
120	Subsidies and grants for operating purposes	123	130	
1,384	Fees and charges	1,566	1,536	
-	Internal charges and overheads recovered	-	1	
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	
2,336	Total operating funding (A)	2,452	2,552	
Applications of operating funding				
2,035	Payments to staff and suppliers	2,112	2,235	Contract costs have increased beyond what was estimated in the LTP.
11	Finance costs	33	13	
229	Internal charges and overheads applied	232	241	
-	Other operating funding applications	-	-	
2,275	Total applications of operating funding (B)	2,377	2,489	
61	Surplus (deficit) of operating funding (A - B)	75	63	
Sources of capital funding				
-	Subsidies and grants for capital expenditure	-	-	
-	Development and financial contributions	-	-	
573	Increase (decrease) in debt	549	1,096	The timing of the external borrowing has shifted due to capital projects being carried forward.
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
573	Total sources of capital funding (C)	549	1,096	
Applications of capital funding				
Capital expenditure				
-	—to meet additional demand	-	-	
600	—to improve the level of service	613	1,150	The transfer station upgrade, budgeted in 2018/19, has been carried forward to 2019/20.
3	—to replace existing assets	4	-	
31	Increase (decrease) in reserves	7	9	
-	Increase (decrease) of investments	-	-	
634	Total applications of capital funding (D)	624	1,159	
(61)	Surplus (deficit) of capital funding (C - D)	(75)	(63)	
-	Funding balance ((A - B) + (C - D))	-	-	

STORMWATER

WHAT WE DO

We currently have stormwater drainage systems in Matamata, Morrinsville, Te Aroha, Waharoa and a limited system in Hinuera. These systems include a mix of pipes, open channels and drains. We work to ensure there are adequate services and staff to respond to storm events, and implement maintenance programs to ensure our systems remain in good condition.

We work collaboratively with Waikato Regional Council as they also own, manage and maintain parts of the drainage system (streams and rivers). Maintaining all of our assets involves undertaking scheduled and unscheduled maintenance and repair work. We have renewal strategies to allow for the progressive replacement of assets as they are required.

WHY DO WE DO THESE ACTIVITIES?

Stormwater systems safely and efficiently drain surface water to minimise flooding in our communities. We aim to ensure stormwater is well managed, and work with property owners to improve stormwater and reduce flooding. The main purpose is to ensure that we are looking after our environment in a sustainable but affordable manner for the short and long term.

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mpd.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

- our vision and community outcomes
- key drivers
- our responses
- significant effects
- how we fund it
- key legislation, strategies, policies and plans
- our projects for the next 10 years
- levels of service



FUNDING IMPACT STATEMENT

STORMWATER - 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
121	General rates, uniform annual general charges, rates penalties	126	120	
742	Targeted rates	773	735	
-	Subsidies and grants for operating purposes	-	-	
-	Fees and charges	-	-	
106	Internal charges and overheads recovered	106	124	
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	
969	Total operating funding (A)	1,005	979	
Applications of operating funding				
163	Payments to staff and suppliers	167	170	
-	Finance costs	-	-	
189	Internal charges and overheads applied	191	175	
-	Other operating funding applications	-	-	
352	Total applications of operating funding (B)	358	345	
617	Surplus (deficit) of operating funding (A - B)	647	634	
Sources of capital funding				
860	Subsidies and grants for capital expenditure	-	860	Subsidy of \$860,000 for the Avenue Road North Stormwater Disposal project (originally budgeted in 2018/19) is now anticipated to be received from developers in 2019/20.
23	Development and financial contributions	23	23	
-	Increase (decrease) in debt	-	-	
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
883	Total sources of capital funding (C)	23	883	
Applications of capital funding				
Capital expenditure				
400	—to meet additional demand	-	-	
1,060	—to improve the level of service	102	960	The Avenue Road North Stormwater Disposal project (originally budgeted in 2018/19) has been carried forward to 2019/20.
-	—to replace existing assets	3	-	
40	Increase (decrease) in reserves	565	557	
-	Increase (decrease) of investments	-	-	
1,500	Total applications of capital funding (D)	670	1,517	
(617)	Surplus (deficit) of capital funding (C - D)	(647)	(634)	
-	Funding balance ((A - B) + (C - D))	-	-	

WASTEWATER

WHAT WE DO

We own and operate wastewater treatment plants (WWTP) in Matamata (which also treats wastewater from Waharoa and Raungaiti), Morrinsville (which also treats wastewater from Rukumoana), Te Aroha, Tahuna and Waihou. The Morrinsville treatment plant also treats and disposes of rural septic tank waste. Approximately 50% of the wastewater treated in Morrinsville is from local industry. Industrial and commercial wastewater is regulated through tradewaste agreements and our Tradewaste Bylaw, which ensure companies pay for the cost of processing their own waste.

The efficient operation and maintenance of our wastewater network is achieved by providing adequate backup facilities, equipment, machinery and staff to handle any breakdown of the service. Corrective and preventative maintenance programmes are in place to ensure our systems remain in good condition.

WHY DO WE DO THESE ACTIVITIES?

Our wastewater services ensure that wastewater (sewage and the grey water that goes down your drains) is collected, treated and disposed of appropriately. The treatment is particularly important as after wastewater is treated it is discharged into waterways. We aim to ensure wastewater is well managed for the wellbeing of our community and our environment.

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mpdc.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

- our vision and community outcomes
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- levels of service



FUNDING IMPACT STATEMENT

WASTEWATER- 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19 (\$000)		LTP 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Explanation of significant variances to the original LTP budget
Sources of operating funding				
-	General rates, uniform annual general charges, rates penalties	-	-	
6,557	Targeted rates (other than a targeted rate for water supply)	6,643	6,402	Estimated depreciation for Wastewater has reduced compared to the LTP, resulting in a reduced requirement from rates.
-	Subsidies and grants for operating purposes	-	-	
642	Fees and charges	656	682	
164	Internal charges and overheads recovered	161	223	
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	
7,363	Total operating funding (A)	7,460	7,307	
Applications of operating funding				
3,356	Payments to staff and suppliers	3,284	3,527	Additional requirements identified in the areas of automation, contractors, lab costs, and consent work compared to the LTP.
534	Finance costs	548	294	Lower debt at the beginning of the financial year and the delayed completion of capital work from that forecast in the LTP has resulted in a decreased interest forecast for the 2019/20 year.
468	Internal charges and overheads applied	475	456	
-	Other operating funding applications	-	-	
4,358	Total applications of operating funding (B)	4,307	4,277	
3,005	Surplus (deficit) of operating funding (A - B)	3,153	3,030	
Sources of capital funding				
-	Subsidies and grants for capital expenditure	-	-	
626	Development and financial contributions	638	626	
759	Increase (decrease) in debt	3,678	5,438	The timing of the external borrowing has shifted due to capital projects being carried forward.
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
1,385	Total sources of capital funding (C)	4,316	6,064	
Applications of capital funding				
Capital expenditure				
50	—to meet additional demand	51	51	
1,210	—to improve the level of service	4,820	6,292	There are projects of \$1.5m from 2018/19 carried forward to 2019/20.
3,064	—to replace existing assets	2,692	2,618	
66	Increase (decrease) in reserves	(94)	133	
-	Increase (decrease) of investments	-	-	
4,390	Total applications of capital funding (D)	7,469	9,094	
(3,005)	Surplus (deficit) of capital funding (C - D)	(3,153)	(3,030)	
-	Funding balance ((A - B) + (C - D))	-	-	

WATER

WHAT WE DO

We own and operate seven water supply schemes in the district - in Matamata (including Waharoa and Raungaiti), Morrinsville, Te Aroha and four small schemes in Te Poi, Tahuna, Hinuera and Te Aroha West. Each area has one or more treatment plants, and the district has a total of 331 km of pipes (excluding service lines). We provide safe drinking water 24 hours a day, seven days a week.

WHY DO WE DO THESE ACTIVITIES

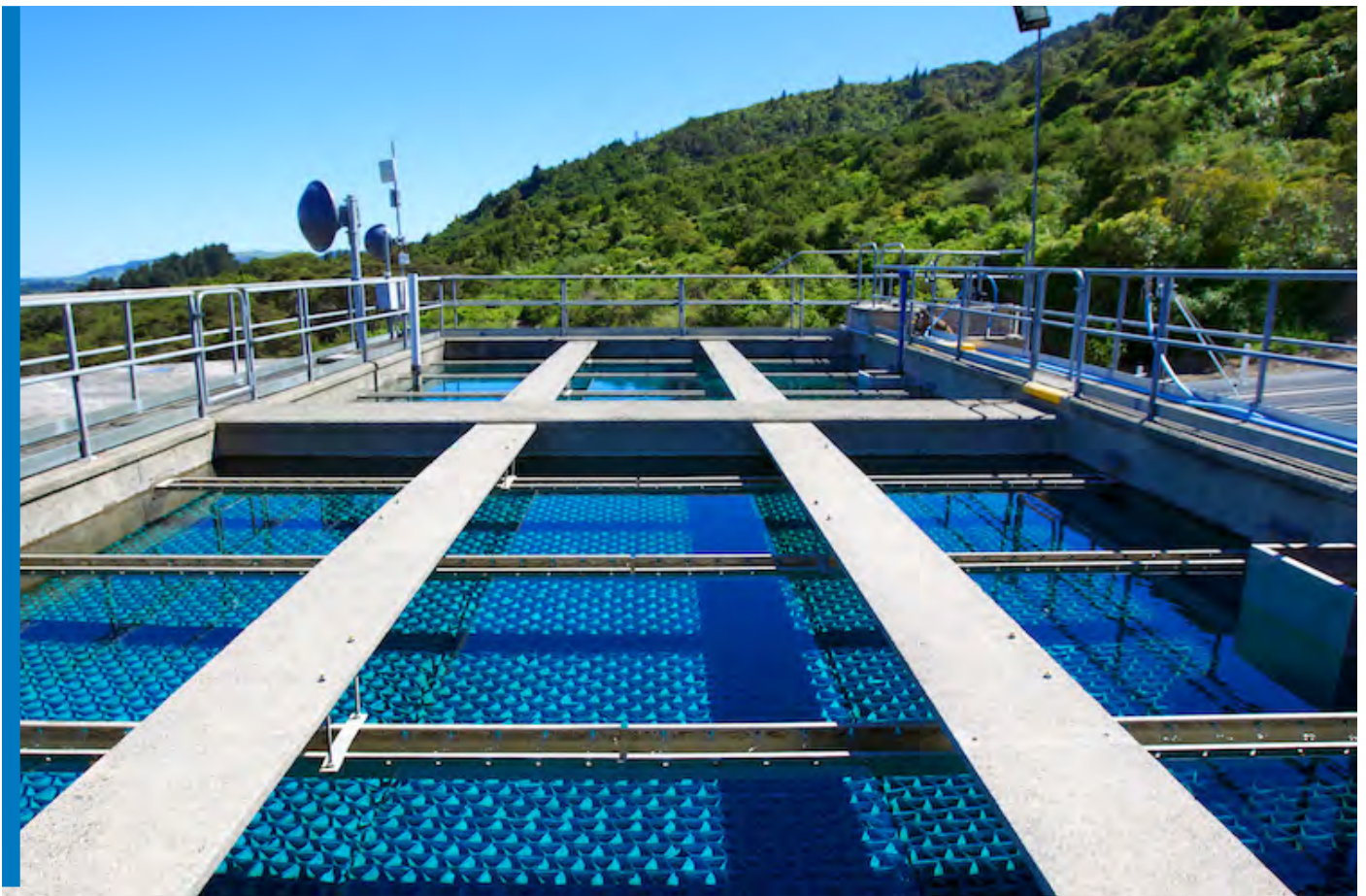
The water activity ensures our communities are supplied with clean, safe drinking water to ensure the health and wellbeing of our residents. Our approach to managing our water activity and network aligns with national and regional drivers. It recognises that the use of water is not unlimited and it is a very valuable resource that needs to be protected and managed in a sustainable manner for the community today and tomorrow.

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mpd.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

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FUNDING IMPACT STATEMENT

WATER- 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
-	General rates, uniform annual general charges, rates penalties	-	-	
4,774	Targeted rates (other than a targeted rate for water supply)	5,082	5,056	
-	Subsidies and grants for operating purposes	-	-	
36	Fees and charges	37	36	
31	Internal charges and overheads recovered	31	52	
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	
4,841	Total operating funding (A)	5,150	5,144	
Applications of operating funding				
2,343	Payments to staff and suppliers	2,464	2,555	Estimated increase in costs in the areas of chemical costs, the UV project, and additional staff requirements.
218	Finance costs	309	213	Lower debt at the beginning of the financial year and the delayed completion of capital work from that forecast in the LTP has resulted in a decreased interest forecast for the 2019/20 year.
498	Internal charges and overheads applied	503	602	
-	Other operating funding applications	-	-	
3,059	Total applications of operating funding (B)	3,276	3,370	
1,782	Surplus (deficit) of operating funding (A - B)	1,874	1,774	
Sources of capital funding				
-	Subsidies and grants for capital expenditure	-	-	
338	Development and financial contributions	345	338	
2,602	Increase (decrease) in debt	2,380	3,590	The timing of the external borrowing has shifted due to capital projects being carried forward.
-	Gross proceeds from sale of assets	-	-	
-	Lump sum contributions	-	-	
-	Other dedicated capital funding	-	-	
2,940	Total sources of capital funding (C)	2,725	3,928	
Applications of capital funding				
Capital expenditure				
175	—to meet additional demand	434	434	
1,440	—to improve the level of service	1,011	1,991	Capital projects are expected to be carried forward from 2018/19 to 2019/20.
3,050	—to replace existing assets	3,199	3,367	
57	Increase (decrease) in reserves	(45)	(90)	
-	Increase (decrease) of investments	-	-	
4,722	Total applications of capital funding (D)	4,599	5,702	
(1,782)	Surplus (deficit) of capital funding (C - D)	(1,874)	(1,774)	
-	Funding balance ((A - B) + (C - D))	-	-	

CONSENTS AND LICENSING

WHAT WE DO

Consents and Licensing is about carrying out the regulatory functions that we are required to deliver under legislation.

The activities responsible for this are Animal Control, Building Consents and Monitoring, Licensing and Enforcement and Resource Consents and Monitoring.

WHY DO WE DO THESE ACTIVITIES

The Consents and Licensing activity group ensures we are protecting the natural resources of the district, keeping our communities safe and healthy, and balancing the different needs and interests of people and businesses in our community. Legislation also has a significant impact on these activities, as it sets a number of legislative requirements that we must meet.

WHAT HAS CHANGED SINCE THE LONG TERM PLAN?

Projects within this group of activities are still progressing as planned in our Long Term Plan.

Please see our Long Term Plan 2018-28 available on our website at www.mpdc.govt.nz/plans/long-term-plan or at any Council Office or Library for more information on this group of activities including:

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- key drivers
- our responses
- significant effects
- how we fund it
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- our projects for the next 10 years
- levels of service



FUNDING IMPACT STATEMENT

CONSENTS AND LICENSING- 1 JULY 2019 TO 30 JUNE 2020

LTP 2018/19		LTP 2019/20	Annual Plan 2019/20	Explanation of significant variances to the original LTP budget
(\$000)		(\$000)	(\$000)	
Sources of operating funding				
1,980	General rates, uniform annual general charges, rates penalties	2,019	1,919	
-	- Targeted rates	-	-	
-	- Subsidies and grants for operating purposes	-	-	
1,762	Fees and charges	1,800	1,870	
-	- Internal charges and overheads recovered	-	-	
31	Local authorities fuel tax, fines, infringement fees, and other receipts	31	36	
3,773	Total operating funding (A)	3,850	3,630	
Applications of operating funding				
2,282	Payments to staff and suppliers	2,330	2,338	
-	- Finance costs	-	-	
1,280	Internal charges and overheads applied	1,303	1,355	
-	- Other operating funding applications	-	-	
3,562	Total applications of operating funding (B)	3,633	3,498	
211	Surplus (deficit) of operating funding (A – B)	217	132	
Sources of capital funding				
-	- Subsidies and grants for capital expenditure	-	-	
-	- Development and financial contributions	-	-	
-	- Increase (decrease) in debt	-	-	
-	- Gross proceeds from sale of assets	-	-	
-	- Lump sum contributions	-	-	
-	- Other dedicated capital funding	-	-	
-	Total sources of capital funding (C)	-	-	
Applications of capital funding				
Capital expenditure				
-	- –to meet additional demand	-	-	
-	- –to improve the level of service	-	-	
-	- –to replace existing assets	-	-	
211	Increase (decrease) in reserves	217	132	
-	- Increase (decrease) of investments	-	-	
211	Total applications of capital funding (D)	217	132	
(211)	Surplus (deficit) of capital funding (C – D)	(217)	(132)	
-	Funding balance ((A – B) + (C – D))	-	-	

The Usual Suspects...

- 20 March double page newspaper ads placed in Piako Post and Matamata Chronicle
- 10th April Follow up ad and E-newsletter 1 week out from end date of consultation period
- Website content/reminders and online submissions
- Digital Signage at offices and libraries
- Letters and E-newsletters to targeted groups (see reverse)
- Regular Facebook posts to drive submissions. Also reminders when getting close to end of consultation period.

Additional Print Media

- Councillors could write 'conversations' pieces for the local papers on their topics.

Display materials

- Posters displayed at/on
 - Council offices
 - Libraries
 - Community notice boards
 - Pools

Additional Digital Medial

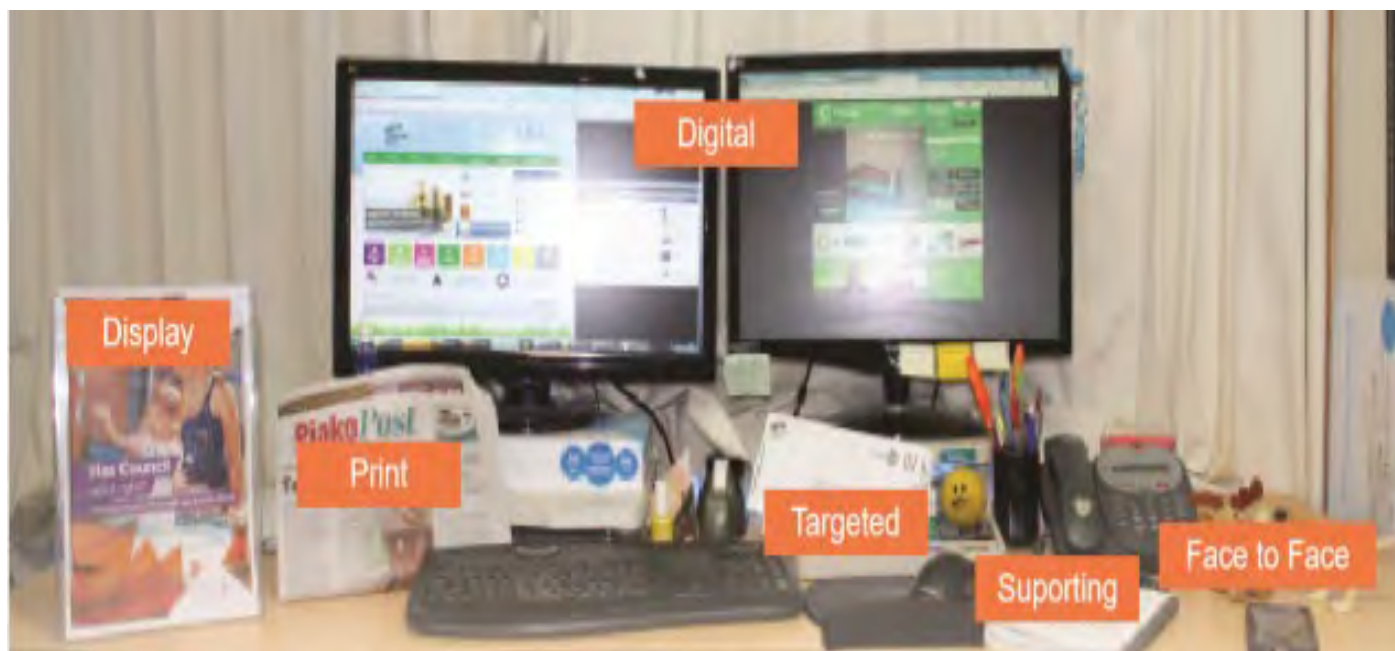
- Paid, targeted advertising on Facebook and neighbourly – if there is not enough submissions
- Short videos (approx. 30 seconds) of Councillors discussing their topic or the vision, highlighting a key issue, and driving people to make a submission. Additions to existing auto responses on web forms
- Link/info on all staff email signatures
- Council to take comments on Facebook as submissions

Face to Face

- Meetings with specific groups (see reverse for list)
- Iwi engagement - item on next TMF agenda 5th March
- Chocolates to be available at all face to face events as an incentive
- Morrinsville Market – 6 April
- Te Aroha Conversation Café day/walking the main street and passing out submission forms.
- Matamata Market – 13 April

Supporting information

- All full documents will be available on our website on the 'Have your say' page with a link from the home page and kiosks and computers at Council offices and libraries.
- Packs for Elected Members and TMF members containing:
 - Key messages
 - Copies of submission forms
 - Posters for distributing to any groups/ contacts.



Individual/Targeted Communications

Letters/Enewsletters

- Out of district ratepayers – only via e-newsletter.
- Community groups
- Economic development e.g. business associations, businesses, local event organisers
- Youth e.g. Volunteer Youth Ambassadors, high schools, Starfish, Youth Empowerment Services etc.
- Grant recipients – Email/letter stating what's included in the Annual Plan.
- Fed Farmers and other rural groups who will have a particular interest in the amendments impacting the natural environment, especially the Reserve Management Plan.
- Iwi groups
- General E-newsletter groups

Face to Face

Dates and times still to be confirmed.

- Morrinsville Chamber of Commerce BA5
- Matamata Business Association BA5
- Te Aroha Business Association BA5
- Grey Power (all three towns)
- Federated Farmers
- Rural Women's Institute + Groups
- Volunteer Youth Ambassadors
- Iwi (guidance to be provided by TMF at upcoming meeting)

Consultation documents:

- Dog Bylaw
- Wastewater Bylaw
- Land Transport Bylaw
- Public Safety Bylaw (including fires bylaw proposed to be revoked)
- Legal Highs Policy
- Gambling Policy
- TAB Policy
- Fees and Charges 2019/20
- Earthquake Prone Buildings - Identifying priority thoroughfares and strategic routes
- General Policies Reserve Management Plan (2 month consultation, 20 Feb - 22 April)

Six Monthly Report July - December 2018

Trim No.: 2110680

Executive Summary

The Local Government Act 2002 requires Council to adopt its Annual Report and Summary by 31 October each year.

To ensure that there are no unexpected performance or financial matters leading up to this report, a Six Month Report has been prepared to advise of progress and any likely issues that may arise.

Staff have prepared a condensed Six Month Report which highlights financial and non-financial performance for July to December 2018. A copy is attached.

Recommendation

That:

1. **The Six Month Report July – December 2018 be received.**

Content

Background

The Local Government Act 2002 requires Council to adopt its audited Annual Report and Summary by 31 October each year. The Annual Report and Summary must be published within one month of adoption. The Annual Report and Summary must be audited, and an opinion on the Annual Report and Summary provided to Council and the report's readers.

The Six Month Report provides Council with an opportunity to review the non-financial and financial performance of the organisation. The financial information builds on the monthly financial reports whereby staff endeavour to ensure there are no "surprises" for Council.

Issues

Financial overview

Council's six month financial result to 31 December 2018 is positive overall.

The statement of comprehensive revenue and expense (page 4) shows that revenue for the period was \$0.4 million more than budgeted at \$25.9 million, while expenditure was \$1 million more than budgeted, at \$25.3 million.

The final result is a surplus at 31 December 2018 of \$0.57 million compared to a budgeted surplus of \$1.18 million.

Explanations for the major variances in revenue and expenditure are outlined in the attached variance report and in the 6 Month Report Financial Summary.

The revaluation of infrastructural assets at 1 July 2018 has not been completed in time for this report. Staff plan to report that information to Council in the three quarter report.

Variances to budget after six months and projected variances to year end

In the table in attachment A, we have identified significant areas where we are under budget, (shown as a negative) or over budget, in terms of our expenditure and revenue at the six month point. There may be seasonal factors that mean more of the budget is spent or received early or later in the financial year. These and other reasons for variances are discussed in attachment A. We have then projected where we will be against budget by the 30 June, taking these seasonal and other factors into account.

At 31 December, our income statement shows a surplus of \$0.57 million. By 30 June, we have projected that our surplus will be approximately \$4.1 million, noting however that we have not projected for any non-cash or accounting type transactions that will affect the bottom line (e.g. loss on the disposal of assets that are renewed, movements in the valuation of interest rate swaps, vested assets, etc.). \$2.6 million of the projected surplus is expected to come from government grants for the Rail Trail extension.

Capital spend after six months and projected spend to year end

Our capital budget for 2018/19 plus the budgets carried forward from previous years total \$36.1 million. To date our capital spend is \$6.8 million. Our Activity and Project Managers have projected that they will spend a further \$18.8 million by the end of the year, (including the grant funded portion of the rail trail that was not budgeted in the capital spend) leaving a budget of \$12.4 million to carry forward to 2019/20. Attachment B summarises the capital spend and projections per activity.

Risks

- Revenue – Metered water revenue is an area where achievement of the budgeted income stream is highly dependent on external factors affecting our large industrial customers. Also there is some uncertainty around the potential revenue from the sale of rubbish bags in this first year of sales. We have addressed these risks in our budgeting for the next financial year. We are not aware of any other significant risks to Council's revenue streams to year end at this stage.
- Expenditure – In the utilities area, we have experienced an abnormal number of one-off costs that have resulted in a budget over-run to date of \$265,000. We are not aware of any other significant risks to Council's expenditure to year end at this stage.
- Capital – Achievement of the projected capital spend is reasonably certain in some activities (e.g. Roading renewals where contracts are in place and progressing as planned). For other activities, achievement of the projected capital spend will rely on a number of internal and external factors inherent in delivering these projects coming together (e.g., resource availability, successful tender process, favourable weather, etc).

Compliance with financial covenants to 31 December 2018

Financial Covenants	31/12/2018	2019	2019
	Actual	Council Limit	LGFA Limit
Net Debt : Total Revenue	30.2%	<150%	<175%
Net Interest : Total Revenue	1.1%	<15%	<20%
Net Interest : Annual Rates Income	1.5%	<20%	<25%
Available Financial Accommodation: External Indebtedness	120%	>110%	>110%

Financial performance benchmarks to 31 December 2018

Rates (income) affordability	✓ within limits
Rates (increases) affordability	✓ within limits
Debt affordability	✓ within limits
Balanced budget	✗ benchmark not met
Essential services	✗ benchmark not met
Debt servicing	✓ benchmark met

The balanced budget benchmark is a measure of whether Council's operating revenue is sufficient to cover its operating expenses. To date, Council's revenue covers just 96% of operating costs, however we project that it will balance out by the end of the year.

The essential services benchmark is a measure of Council's capital expenditure on network services as a proportion of depreciation on network services. To date, Council's capital spend is 85% of depreciation. If projected renewals are completed as planned, the two should balance by the end of the year.

Non-financial information

Full details of performance measured to date against our targets are set out in the Six Month Report attached. A number of these measures can only be measured annually and are not included.

Analysis

Options considered

The preparation of the Six Month Report is a non-statutory process for Council.

Legal and statutory requirements

Under Section 98 of the Local Government Act 2002, Council is required to prepare an Annual Report and Summary at the close of each financial year.

Consistency with the Long Term Plan / Annual Plan

The Annual Report measures our performance against the Long Term Plan 2018-28.

Impact on Significance and Engagement Policy

There is no impact in terms of Council's Significance and Engagement Policy.

Timeframes

Key dates for the Annual Report 2018/19 are as follows:

6 Month Report	Date
Approved by Corporate & Operations Committee	27 February 2019
Audit and Risk Committee meeting	12 March 2019
Annual Report	
Interim Audit	27 May – 7 June 2019
Interim Audit report approved by Council	10 July 2019
Draft Report and Summary to Corporate & Operations Committee	28 August 2019

Final Audit	26 August – 13 September 2019
Final Annual Report, Summary and Audit Report to Audit & Risk Committee for review	01 October 2019
Final Annual Report, Summary and Audit Report approved by Council	02 October 2019
Annual Report and Summary published in local newspapers. (Published on website, available in offices/libraries as soon as practicable following approval)	30 October 2019

Financial Impact

i. Cost

The production of the Annual Report and Summary has a budget of \$15,000 (excluding audit costs) for production of the Annual Report and Summary.

Audit fees have a budget of \$125,000.

ii. Funding Source

The Annual Report cost is provided for within the strategies and plans activity budgets. The Annual Report and audit are funded from general rates.

Attachments

- A. 6 month report 31 Dec 2018 - Variances and Projections
- B. 6 month report 31 Dec 2018 - Capital spend and projections
- C. 6 month report 31 Dec 2018 - Full document

Signatories

Author(s)	Larnia Weir Deputy Finance Manager	
	Rebecca Shaw Graduate Policy Planner	

Approved by	Sandra Harris Acting Strategic Policy Manager	
	Manaia Te Wiata Group Manager Business Support	
	Don McLeod Chief Executive Officer	

Variances to the Annual Plan budget to 31 December 2018, and projected variances through to 30 June 2019

In the table below we have identified significant areas where we are under budget, (shown as a negative) or over budget, in terms of our expenditure and revenue at the 6 month point. There may be seasonal factors that mean that more of the budget is spent or received earlier or later in the financial year. These and other reasons for variances are discussed below. Considering these seasonal and other factors we have then projected variances to 30 June 2019. The income statement at 31 December 2018 shows a surplus of **\$572,000**. By 30 June 2019, we project that our surplus will be approximately \$4,136,000 noting however that we have not projected for any non-cash or accounting type transactions that will affect the bottom line (eg, any provisions that may have to be recognised for vested assets, interest rate swap etc)

A positive net result below is a positive for Council

Variances	6 month results			Projection to 30 June 2019		
	Expenditure	Income	Net result	Expenditure	Income	Net result
Budgeted per LTP 2018-2019	24,315,000	25,493,000	1,178,000	48,630,000	50,986,000	2,356,000
Housing and property cost is higher mainly due to major maintenance in ex bowling club due to leakage, asbestos report and removal, roof fixing of store shed and retaining wall (some of these costs will be capitalised later in year). Cleaning, power and insurance costs are higher than budgeted.	92,000	6,000	-86,000	67,000	1,000	-66,000
Halls income is lower as some of the halls are no longer operating. Expenditure is higher due to repair work at Manawaru Hall and Tatuanui Hall. Overall income and expenditure are forecasted lower than budget	8,000	-2,000	-10,000	-3,000	-3,000	0
Housing costs (including EPH, Staff and OYO) are higher due to higher maintenance requirements. EPH income is lower due to vacancy as a result of maintenance required. Overall income will be higher due to increased EPH rents.	30,000	-16,000	-46,000	4,000	52,000	48,000
Library cost for the first half is higher due to subscription and software licences paid for the full year. Library Income is lower than budgeted due to less rental, fine and discarded book income than budgeted.	46,000	-11,000	-57,000	21,000	-17,000	-38,000
Parks and Tracks cost is higher and will be higher due to an increase in level of service. Easement money received in Matamata from WEL network	71,000	25,000	-46,000	78,000	28,000	-50,000
Pools and spa cost is higher due to increased chemical costs and more maintenance and stock purchased during this period negated by higher income. Pools and Spa -Te Aroha Spa income is higher by \$59,000 mainly due to increase in demand for romance package and higher admission. This is partially offset by lower income from the Matamata Sports centre. Morrinsville pool income is lower than budget due to the timing of thier opening season.	41,000	46,000	5,000	25,000	79,000	54,000
Public Amenity - Cemeteries cost are higher due to the higher number of burials and using a contractor for digging graves instead KVS. Street furniture costs are lower as increase in level of service will be spent later in the year or re-allocated to other activities. Cemeteries income is higher due to more burial and sale of plots.	-60,000	44,000	104,000	-67,000	21,000	88,000
Recreation and Culture & Heritage - Sports Waikato contract price has increased. Waharoa Aerodrome, Te Aroha Event Centre operating and Firth Tower costs are higher due to more usage and maintenance partially offset by higher income. Te Aroha Event Centre contribution received \$45,000 at December.	35,000	91,000	56,000	31,000	92,000	61,000
Resource Consent and Monitoring - Resource consents expenditure is higher due high activity. This cost will be negated by higher income.	67,000	110,000	43,000	173,000	203,000	30,000
Building Consent - Building consents income is higher due to high activity.	-17,000	103,000	120,000	-11,000	143,000	154,000
Animal control cost and health costs are lower than budgeted. Annual dog registration income is received at the start of the year. The increase in registration fees has contributed to this increase.	-25,000	147,000	172,000	-7,000	22,000	29,000
Roading - Subsidised expenditure is underspent at this time due to timing of the contract . The expenditure will be spent in next six months. Hauraki Rail Trail maintenance cost is higher. NZTA has approved \$274,000 for footpath maintenance. Roding – NZTA subsidy income is lower than budgeted due to lower spending in seal pavement. The total forecast is projected to be higher than budget due to increase in footpath maintenance and LED project of \$371,000. Hauraki Rail Trail extension project grant \$189,000 received and \$2.5m expected to be received by end of the year.	-46,000	-434,000	-388,000	376,000	3,444,000	3,068,000
Rubbish and Recycling - The total costs are \$150,000 over budget. Asset management expenditure is \$70,000 below budget, however it is planned to be expended later in year. The increased contract price and extra collection vehicle \$65,000 resulted in higher cost. \$19,000 for new recycling auditor and vehicle cost will be funded from Waste Minimisation levy. Rubbish bags sale and collection at landfill is less than budgeted.	83,000	-207,000	-290,000	230,000	-220,000	-450,000
Budgeted stormwater maintenance has not been required during this period. Avenue Road North stormwater disposal project has not started, so none of the \$860,000 budgeted contribution has been received.	-11,000	-430,000	-419,000	-6,000	-860,000	-854,000
Waste water expenditure spent similar to last year. \$90,000 budgeted for compliance module and \$50,000 budgeted for 5 yearly field irrigation maintenance, licence to occupy and Bio-remediation budgeted in this year. \$90,000 has been spent from special fund, licence to occupy has been completed and Bio-remediation project is operating on one site. Asset management expenditure is lower. Some more expenditure will be incurred during the next half of the year. We project that reticulation cost will be higher than budget by the end of the year. Income is higher due to higher trade waste volumes.	-281,000	59,000	340,000	47,000	80,000	33,000
Water - Asset management cost is lower by \$80,000 and will be spent later in year. Reticulation cost is higher by \$65,000 due to more maintenance on water mains expected to be higher by \$75,000. Treatment plant cost is higher by \$280,000 mainly due to a number of one-off extraordinary expenses above what was budgeted, including staff, sampling and reporting costs related to events, catchment risk assessments, water safety plans, compliance recovery projects, etc. Chemical and power costs are also higher due to change in chemicals and more pumping. Metered water income is lower due to lower industrial consumption and particularly OCD consumption is negligible.	265,000	-253,000	-518,000	375,000	-310,000	-685,000
Strategies & Plans - Economic development, Regional policy, Regional co-ordination and District Plan monitoring and implementation expenditure has been minimal during this period. Annual Plan cost will come to charge later in the year. LTP cost is budgeted for smoothing so this expenditure will not be incurred during this year. This saving is negated by the uplifting of community grants early in year.	-194,000	1,000	195,000	-94,000	1,000	95,000
Civil Defence -TVEOA levy paid Jan - March.	20,000		-20,000	0	0	0
Community Leadership - election costs are budgeted for smoothing so this expenditure will not be required until next financial year. Special fund approved by council from surplus from previous years \$118,000 spent during current year and expected to spend \$200,000. Community grant received during the year. Communication and events cost and income is lower as events still to come.	72,000	-4,000	-76,000	200,000	2,000	-198,000
Salary cost - is under due to medical leave and vacant positions.	-135,000		135,000	-200,000		200,000
Finance costs are lower due to less debt being required than budgeted	-46,000		46,000		100,000	100,000
Interest revenue is higher due to more cash investments being held due to the lower capital spending and the pre-funding of debt due to mature in March 2019.		248,000	248,000		280,000	280,000
Development contribution is higher than budgeted at this point, particularly due to significant development in Matamata during the period. It is unknown how much contribution may be received in the 2nd half of the year.		1,189,000	1,189,000		200,000	200,000
Loss in the valuation of interest rate swaps to date due to interest rates remaining low.	294,000	0	-294,000		0	0
Depreciation is higher than budgeted due to the revaluation of infrastructural assets.	58,000		-58,000	100,000		-100,000
Vested assets are capitalised in the 2nd half of the year.		-100,000	-100,000			0
Other minor ups and downs and variance in internal charges	632,000	-219,000	-851,000	-387,000	-606,000	-219,000
Actual income and expenditure at 31 December and Projected at 30 June 2019	25,314,000	25,886,000	572,000	49,582,000	53,718,000	4,136,000

Capital spend to 31 December 2018 and projected spend to 30 June 2019

Activity	Budget 2018/19	C/F from previous Years	Actual spend this year	Forecast spend next 6 months	Year end projected spend	Projected C/F to 2019/20	Comments
Roading	7,009,559	4,027,452	2,935,488	9,943,865	12,879,353	-1,842,342	TA to MM rail trail \$5.3m and LED project of \$371,000 projected to be spent during current year
Stormwater	1,460,213	124,069	127,223	115,000	242,223	1,342,059	Avenue Road North Stormwater Disposal not going ahead \$860,000
Waste Management	600,000	0	7,948	325,000	332,948	267,052	\$280,000 has been approved by council will be spent on upgrade of the Morrinsville transfer station
Wastewater - Capital	1,260,000	876,798	59,412	472,680	532,092	1,604,706	Projects have been reassigned and a number of projects have been carried forward to next year
Wastewater - Renewal	3,063,724	374,608	58,250	1,006,000	1,064,250	2,374,082	Reticulation and Plant renewal carried forward to next year
Water - Capital	1,615,000	2,356,930	481,342	2,946,755	3,428,097	543,833	Most of the projects are projected to be completed during this year
Water - Renewals	3,050,440	1,435,220	1,129,304	1,655,415	2,784,719	1,700,941	Most of the projects are completed for plant renewal. The reticulation renewal contract has been awarded but some of these will be completed next year.
Community Facility - Capital	3,782,500	888,685	306,823	916,396	1,223,219	3,447,966	Headon Stadium Upgrade project \$1.5m carried forward to next year. MV cemetery land purchased last year and spent last year. Swimzone splash pad project not going ahead
Community Facility - Renewal	1,383,877	265,366	378,678	357,000	735,678	913,565	EPH and parks renewal will not be spent during current year.
Vehicle replacement programme	333,000	889,653	789,605	460,000	1,249,605	-26,952	
I.T. Projects	513,000	416,813	386,719	314,000	700,719	229,094	
Library projects	169,000		36,658	132,300	168,958	42	
Customer services	172,000		0	172,000	172,000	0	
Furniture and fittings	60,000	31,488	80,901	0	80,901	10,587	
Total	24,472,313	11,687,082	6,778,351	18,816,411	25,594,761	10,564,634	

SIX MONTH REPORT

JULY - DECEMBER 2018

MATAMATA-PIAKO
LIFESTYLE. OPPORTUNITIES.
HOME.

FINANCIAL SUMMARY

WHAT WAS OUR PLANNED REVENUE FOR THE FIRST HALF OF THIS YEAR?

Council budgeted for a revenue of \$25.5 million.

WHAT WAS OUR ACTUAL REVENUE, AND WHAT WERE THE MAIN VARIANCES?

Our actual revenue to 31 December was just slightly higher than budgeted at \$25.9 million. There were a number of ups and downs to budget across all activities. The more significant of them include:

- Development and financial contributions received to date are \$1.2 million higher than budgeted. Significant contributions have been received in respect of development activity in Matamata.
- Pools, cemeteries, Firth Tower, Aerodrome and Event Centre income is \$135,000 higher than budgeted due to higher activity.
- Trade waste income is \$59,000 higher in Morrinsville and Matamata due to greater volumes from industrial users.
- Resource consent income is \$110,000 higher, and building consent income is \$102,000 higher due to increased activity.
- Dog registration fees are received at the start of the financial year, \$140,000.
- Investment income is \$249,000 higher than budgeted as the delay in capital spending has resulted in more cash being available for investing.
- Grant received for the Te Aroha to Matamata Rail Trail \$189,000.
- These higher than budgeted revenues are offset by the following activities where revenue received was lower than budget:
- Metered water consumption from Open Country Dairy and Fonterra is \$253,000 lower than budgeted.
- NZTA subsidy income is \$639,000 lower than budgeted at this point, with the bulk of the work to be undertaken in the second half of the year.
- Lower than budgeted sales of rubbish bags \$136,000 and transfer station takings \$84,000 at this point.
- Stormwater contribution budgeted of \$860,000 for the year but there has been no progress in this area to date.

WHAT DID WE PLAN TO SPEND FOR THE FIRST HALF OF THE YEAR?

Our expenses were budgeted to be \$24.3 million.

WHAT DID WE ACTUALLY SPEND, AND WHAT WERE THE MAIN VARIANCES?

Our expenses were \$25.3 million, \$1 million more than budgeted. This includes \$294,000 recognised as a loss in the book value of our interest rate swap portfolio, due to the ongoing low interest rates. Across our other activities, there were some areas that have exceeded the six month budget, and others where the budget is yet to be spent.



The main activities where the budget has been exceeded include:

- Community Facilities due to unplanned maintenance, asbestos reports and removal \$265,000.
- Rubbish and Recycling due to the inflationary increase to the contract \$105,000, and \$24,000 for the Morrinsville landfill consent.
- Water due to a number of extra ordinary expenses above what was budgeted including staff, sampling and reporting costs related to events, catchment risk assessments, water safety plans and compliance recovery projects \$265,000.

There were also savings against budget to date for the following activities:

- Engagement and Strategy in the areas of Economic Development, Regional Policy, Regional co-ordination and District Plan monitoring and implementation, \$102,000.
- Wastewater where budgeted projects are expected to be undertaken in the second half of the year \$281,000.

SPENDING ON ASSETS

\$11.7 million of capital/renewal work budgeted for in previous years was carried forward to this year. \$24.4 million of additional capital/renewal work is also budgeted to be completed this year.

To date, we have spent \$6.8 million, which significantly includes \$0.56 million on the Te Aroha to Matamata cycle trail, \$1.45 million to replace plant and IT equipment, \$2.6 million on roading renewals, \$0.6 million on water plant and reticulation.

In the next six months, we have projected we will spend a further \$18.8 million. The main projects are projected to include: \$5.3 million for the Te Aroha to Matamata Rail Trail, a further \$4.6 million for roading renewals, water renewals \$4.6 million, plant and reticulation renewals \$1 million.

STATEMENT OF FINANCIAL POSITION - HOW DO WE STAND OVERALL?

Council is in good financial shape. Our physical assets valued at \$608 million are generally in a good state. We have a higher level of cash investments than budgeted due to the delay in capital spending to date. We also have \$5.5 million invested that has come from Local Government Funding Agency loans drawn in advance of a \$8.5 million LGFA loan that is due to be repaid in March. The pre-funding of this maturing loan has meant that we were able to secure favourable rates available at the time and avoid market funding concentration risks. We have a significant amount of planned capital work to catch up on, but we have plenty of financial capability to do so. Our current level of debt at \$30 million (that will reduce to \$21.5 million in March) is considered low for a Council of our size and nature.

STATEMENT OF CASHFLOWS - HOW ARE WE GOING IN TERMS OF CASH RECEIVED AND PAID OUT?

Our total cash held at the end of December was \$5.1 million. We had budgeted that our cash balance would increase by \$4.4 million over the 6 month period – the actual increase was \$1.2 million. We had budgeted for \$8.3 million in cash from drawing on loans to fund our capital work. \$6.5 million in cash has been spent on capital to date, compared to a budget of \$12.2 million, so the loan funding has not been required. Rates collected to fund renewal work have been held in term investments.



FINANCIALS

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018
(\$000)	(\$000)		(\$000)	(\$000)
Revenue				
17,089	16,985	Rates	17,464	17,241
3,074	2,769	Subsidies and grants	3,347	2,510
2,824	3,496	Fees and charges	3,640	3,727
129	406	Interest revenue	127	376
203	907	Development and financial contributions	685	1,874
233	138	Other revenue	231	158
23,552	24,701	Total revenue	25,493	25,886
Expenses				
7,319	6,773	Personnel costs	7,935	7,800
6,977	6,974	Depreciation and amortisation expense	7,140	7,198
883	686	Finance costs	687	641
8,024	8,735	Other expenses	8,590	9,675
23,203	23,168	Total expenses	24,315	25,314
-	-	Share of joint venture surplus (deficit) for the year	-	-
349	1,533	Surplus (deficit)	1,178	572
Other comprehensive income				
-	-	Property, plant and equipment revaluations	-	-
-	-	Total other comprehensive revenue and expense	-	-
349	1,533	Total comprehensive revenue and expense	1,178	572

STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018
(\$000)	(\$000)		(\$000)	(\$000)
586,886	582,043	Balance at 1 July	592,151	607,701
349	1,533	Total comprehensive revenue and expense	1,178	572
587,235	583,576	Balance at 30 June	593,329	608,273

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018
(\$000)	(\$000)		(\$000)	(\$000)
Assets				
Cash assets				
417	2,983	Cash and cash equivalents	5,198	5,131
3,000	1,042	Receivables	2,870	1,533
-	-	Prepayments	-	-
174	1,041	Inventory	650	840
-	-	Assets held for sale	-	427
-	-	Derivative financial instruments	-	-
4,906	12,987	Other financial assets	5,263	17,205
8,497	18,053	Total current assets	13,981	25,136
Non-current assets				
-	-	Derivative financial instruments	-	-
3,062	13,447	Investments in CCOs and other similar entities	13,447	13,511
2,112	869	Other financial assets	-	939
619,919	583,922	Property, plant and equipment	605,058	607,660
918	1,002	Intangible assets	943	745
626,011	599,240	Total non-current assets	619,448	622,855
634,508	617,293	Total assets	633,429	647,991
Liabilities				
Current liabilities				
-	-	Derivative financial instruments	-	-
4,184	4,761	Payable and deferred revenue	2,451	7,084
1,300	1,333	Employee entitlements	1,500	1,424
5,192	180	Borrowings	8,500	8,500
89	92	Provisions	84	216
10,765	6,366	Total current liabilities	12,535	17,224
Non-current liabilities				
-	1,675	Derivative financial instruments	-	-
613	450	Employee entitlements	450	380
35,284	24,533	Borrowings	26,631	21,517
611	693	Provisions	484	597
36,508	27,351	Total non-current liabilities	27,565	22,494
47,273	33,717	Total liabilities	40,100	39,718
587,235	583,576	Net assets (assets minus liabilities)	593,329	608,273
Equity				
404,679	423,174	Accumulated funds	424,193	430,410
182,556	160,402	Other reserves	169,136	177,863
587,235	583,576	Total equity	593,329	608,273

STATEMENT OF CASHFLOWS

For the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018
(\$000)	(\$000)		(\$000)	(\$000)
Cashflow from operating activities				
17,089	16,985	Rates revenue received	17,464	18,737
3,076	2,769	Subsidies and grants received	3,347	4,470
2,824	3,496	Fees and charges received	3,640	2,594
129	406	Interest received	127	268
133	138	Other revenue received	131	158
203	907	Development and financial contributions	685	1,874
-	(14)	GST (net)	-	-
(8,025)	(8,735)	Payments to suppliers	(8,590)	(8,420)
(7,319)	(6,773)	Payments to employees	(7,935)	(7,834)
(883)	(686)	Interest paid	(687)	(753)
7,226	11,380	Net cashflow from operating activities	8,182	11,094
Cashflow from investing activities				
108	138	Repayments of loans and advances	115	129
-	-	Sale of assets	-	-
286	5,579	Proceeds from sale/maturity of investments	-	-
(11,158)	(8,270)	Purchase of property, plant and equipment	(12,153)	(6,529)
(49)	(69)	Purchase of intangible assets	(47)	(96)
-	(385)	Acquisitions of investments	-	(5,359)
(10,813)	(3,007)	Net cashflows from investing activities	(12,084)	(11,855)
Cashflow from financing activities				
3,694	-	Proceeds from borrowings	8,266	2,000
-	(5,094)	Repayments of borrowings	-	-
3,694	(5,094)	Net cashflow from financing activities	8,266	2,000
107	392	Net increase (decrease) in cash and cash equivalents	4,363	1,239
310	2,591	Opening cash and cash equivalents	835	3,892
417	2983	Closing cash and cash equivalents	5,198	5,131



OVERALL FUNDING IMPACT STATEMENT

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
10,573	10,620	General rates, uniform annual general charges, rates penalties	11,265	11,270	
6,516	6,365	Targeted rates	6,199	5,975	Metered water consumption from Open Country Dairy and Fonterra is lower than budgeted.
1,328	1,324	Subsidies and grants for operating purposes	1,339	1,273	NZTA subsidy income is lower than budgeted, with a number of the maintenance projects being started in November/December.
2,604	3,341	Fees and charges	3,311	3,568	Pools, cemeteries, Firth Tower, Aerodrome and Event Centre income is higher than budgeted due to higher activity. This has been offset slightly by a lower income received from Elderly Person's Housing rental and libraries. Trade Waste income is higher in Morrinsville and Matamata due to greater volumes from industrial users. Resource and building consent income is higher due to increased activity. Animal control income is received at the start of the financial year. These increases in fees and charges are offset by lower than budgeted sales of rubbish bags and transfer station takings at this point.
129	398	Interest and dividends from investments	127	265	Investment income is higher than budgeted as the delay in capital spending has resulted in more cash being available for investing.
133	138	Local authorities fuel tax, fines, infringement fee, and other receipts	131	158	Petrol tax and dog fine income is higher than budgeted.
21,283	22,186	Total operating funding (A)	22,370	22,509	
Applications of operating funding					
15,125	15,346	Payments to staff and suppliers	16,196	16,109	Overall payments to staff and suppliers are in line with the total budget, however there are a number of ups and downs across activities. Significantly, expenses are higher than budgeted for; Community Facilities due to unplanned maintenance and increased chemical costs, Rubbish and Recycling due to the inflationary increase to the contract, Water due to a number of extraordinary expenses above what was budgeted, and a higher spend on reticulation maintenance. There are also savings to date for Engagement and Strategy in the areas of Economic Development, Regional Policy, Regional co-ordination and District Plan monitoring and implementation; and Wastewater where budgeted projects are expected to be undertaken in the second half of the year.
883	686	Finance costs	687	641	Finance cost is lower due to the delay in the capital spend and a lower opening balance of debt.
-	-	Other operating funding applications	-	-	
16,008	13,032	Total applications of operating funding (B)	16,882	16,750	
5,275	6,154	Surplus (deficit) of operating funding (A-B)	5,488	5,759	

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the Annual Plan budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of capital funding					
1,748	1,446	Subsidies and grants for capital expenditure	2,009	1,237	NZTA subsidy income is lower than budgeted due to lower spending in seal pavement and other contract work which will be undertaken in the second half of the financial year. The budget also included a contribution for the Avenue Road North stormwater disposal that did not eventuate.
203	907	Development and financial contributions	685	1,873	Higher development and financial contributions mainly due to Matamata subdivision.
3,695	(5,094)	Increase (decrease) in debt	4,016	2,416	The delay in capital spending has resulted in less debt funding being required to date.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
5,646	(2,741)	Total sources of capital funding (C)	6,710	5,526	
Applications of capital funding					
Capital expenditure					
141	-	- to meet additional demand	344	-	Tower Road and Eldonwood stormwater projects have yet to progress.
5,867	5,615	- to improve the level of service	4,743	1,621	Capital work on the rail trail budgeted for last financial year is underway. Water and Wastewater projects have been rescheduled based on requirements and available resources, with some projects being moved out to 2019/20. Other significant projects planned for this year that have been delayed to date include the Headon Stadium upgrade, the corporate property (offices and depots) future proofing projects, the Swim Zone splash pads, the upgrade of one of the three transfer stations and the Avenue Road Morrinsville stormwater project has not been progressed to date.
5,199	2,724	- to replace existing assets	7,112	5,004	Water and Wastewater reticulation contracts have been awarded and will be completed during the year. The bulk of the roading capital spend will be undertaken in the second half of the financial year. Planned renewal work is still to be completed in Community Facilities including the Headon Stadium building, public toilets, and work on tracks. The replacement of plant and IT equipment budgeted last financial year has occurred during this period.
(286)	653	Increase (decrease) in reserves	(1)	(413)	
-	(5,579)	Increase (decrease) in investments	-	5,073	
10,921	3,413	Total applications of capital funding (D)	12,198	11,285	
(5,275)	(6,154)	Surplus (deficit) of capital funding	(5,488)	(5,759)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

FUNDING IMPACT STATEMENT

COMMUNITY FACILITIES

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
4,102	4,120	General rates, uniform annual general charges, rates penalties	4,411	4,413	
33	41	Targeted rates	38	50	
-	4	Subsidies and grants for operating purposes	2	5	Grant received for the year.
1,419	1,452	Fees and charges	1,388	1,521	Pools, cemeteries, Firth Tower, Aerodrome and Event Centre income is higher than budgeted due to higher activity. This has been offset slightly by a lower income received from Elderly Person's Housing rental and libraries.
84	83	Internal charges and overheads recovered	80	83	
-	-	Local authorities fuel tax, fines, infringement fee, and other receipts	-	-	
5,636	5,700	Total operating funding (A)	5,918	6,072	
Applications of operating funding					
3,540	3,617	Payments to staff and suppliers	3,857	4,065	Housing and property costs are \$130,000 higher than budgeted due to unplanned maintenance required including major maintenance in the Te Aroha domain ex bowling club due to leakage, and significant work required at the Waihou Depot including asbestos report and removal, fixing the roof of the store shed and retaining wall and data outlet work. Pools and spa costs are higher due to increased chemical costs, more maintenance and stock purchased during this period.
168	129	Finance costs	93	86	
912	921	Internal charges and overheads applied	907	923	
-	-	Other operating funding applications	-	-	
4,620	4,667	Total applications of operating funding (B)	4,857	5,074	
1,018	1,033	Surplus (deficit) of operating funding (A-B)	1,062	998	
Sources of capital funding					
-	125	Subsidies and grants for capital expenditure	-	45	Silver Fern Farms Events Centre donation received.
28	91	Development and financial contributions	28	182	Financial contribution received from Matamata development.
162	-	Increase (decrease) in debt	1,659	(398)	Additional borrowing not required to date due to the delayed capital spending.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
190	216	Total sources of capital funding (C)	1,686	(171)	

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Applications of capital funding					
Capital expenditure					
75	-	- to meet additional demand	-	-	
746	4,961	- to improve the level of service	1,854	258	Significant projects planned for this year that have been delayed to date include the Headon Stadium upgrade and the corporate property (offices and depots) future proofing projects, and the Swim Zone splash pads. The budget included \$350,000 for expansion of the Morrinsville Cemetery land, which was actually purchased last year.
437	734	- to replace existing assets	775	379	Planned renewal work is still to be completed including the Headon Stadium building, public toilets, and work on tracks.
(50)	(4,446)	Increase (decrease) in reserves	119	190	
-	-	Increase (decrease) in investments	-	-	
1,208	1,249	Total application of capital funding (D)	2,748	827	
(1,018)	(1,033)	Surplus/(deficit) of capital funding	(1,062)	(998)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

STRATEGY AND ENGAGEMENT

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
2,125	2,135	General rates, uniform annual general charges, rates penalties	2,051	2,052	
-	-	Targeted rates	-	-	
-	4	Subsidies and grants for operating purposes	-	3	
62	408	Fees and charges	65	267	Investment income is higher than budgeted as the delay in capital spending has resulted in more cash being available for investing.
258	258	Internal charges and overheads recovered	159	258	Internal interest allocation is higher due to the lower capital spending
-	-	Local authorities fuel tax, fines, infringement fee, and other receipts	-	-	
2,445	2,805	Total operating funding (A)	2,275	2,580	
Applications of operating funding					
1,295	1,031	Payments to staff and suppliers	1,414	1,282	Budgets have yet to be spent in a number of areas including Economic Development, Regional Policy, Regional co-ordination and District Plan monitoring and implementation. These savings are partially offset by grants uplifted in the first half of the year.
2	1	Finance costs	1	-	
713	725	Internal charges and overheads applied	741	723	
-	-	Other operating funding applications	-	-	
2,009	1,757	Total applications of operating funding (B)	2,155	2,005	
435	1,048	Surplus (deficit) of operating funding (A-B)	120	575	
Sources of capital funding					
-	-	Subsidies and grants for capital expenditure	-	-	
-	-	Development and financial contributions	-	-	
186	(5,094)	Increase (decrease) in debt	49	4,144	The calculated debt funding of this activity increased to fund the increase in investments during the period.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
186	(5,094)	Total sources of capital funding (C)	49	4,144	
Applications of capital funding					
Capital expenditure					
-	-	- to meet additional demand	-	-	
-	-	- to improve the level of service	-	-	
673	199	- to replace existing assets	539	1,450	The replacement of plant and IT equipment budgeted last financial year has occurred during this period.
(52)	(1,334)	Increase (decrease) in reserves	(371)	(1,804)	
-	(5,579)	Increase (decrease) in investments	-	5,073	
621	(4,046)	Total application of capital funding (D)	169	4,719	
(435)	(1,048)	Surplus (deficit) of capital funding	(120)	(575)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

ROADING

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
3,087	3,101	General rates, uniform annual general charges, rates penalties	3,461	3,463	
-	-	Targeted rates	-	-	
1,272	1,251	Subsidies and grants for operating purposes	1,277	1,200	NZTA subsidy income is lower than budgeted, with a number of the maintenance projects being started in November / December.
73	(6)	Fees and charges	74	22	
161	161	Internal charges and overheads recovered	124	161	
115	118	Local authorities fuel tax, fines, infringement fee, and other receipts	115	125	
4,708	4,625	Total operating funding (A)	5,050	4,971	
Applications of operating funding					
2,878	2,949	Payments to staff and suppliers	2,924	2,876	
172	132	Finance costs	212	197	
411	415	Internal charges and overheads applied	446	414	
-	-	Other operating funding applications	-	-	
3,461	3,496	Total applications of operating funding (B)	3,581	3,487	
1,247	1,129	Surplus (deficit) of operating funding (A-B)	1,469	1,484	
Sources of capital funding					
1,748	1,321	Subsidies and grants for capital expenditure	1,579	1,192	NZTA subsidy income is lower than budgeted due to lower spending in seal pavement and other contract work which will be undertaken in the second half of the financial year.
63	221	Development and financial contributions	164	509	Higher development contribution mainly due to Matamata subdivision.
1,732	-	Increase (decrease) in debt	342	(338)	The delay in capital spending including the Te Aroha to Matamata cycleway project has resulted in lower debt than budgeted.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
3,543	1,542	Total sources of capital funding (C)	2,084	1,363	
Applications of capital funding					
Capital expenditure					
31	-	- to meet additional demand	31	-	
2,324	215	- to improve the level of service	734	688	Capital work on the rail trail budgeted for last financial year is underway.
2,975	1,370	- to replace existing assets	2,740	1,988	The bulk of the roading capital spend will be undertaken in the second half of the financial year.
(540)	1,086	Increase (decrease) in reserves	48	171	
-	-	Increase (decrease) in investments	-	-	
4,790	2,671	Total application of capital funding (D)	3,553	2,847	
(1,247)	(1,129)	Surplus (deficit) of capital funding	(1,469)	(1,484)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

RUBBISH AND RECYCLING

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
228	228	General rates, uniform annual general charges, rates penalties	292	292	
647	649	Targeted rates	125	125	
56	65	Subsidies and grants for operating purposes	60	65	
205	255	Fees and charges	692	480	Rubbish bag and transfer station sales are lower than budgeted at this point.
1	1	Internal charges and overheads recovered	-	1	
-	-	Local authorities fuel tax, fines, infringement fee, and other receipts	-	-	
1,136	1,198	Total operating funding (A)	1,168	963	
Applications of operating funding					
994	988	Payments to staff and suppliers	1,018	1,100	The contract price for waste collection has increased based on inflation
2	1	Finance costs	6	5	
114	116	Internal charges and overheads applied	115	115	
-	-	Other operating funding applications	-	-	
1,110	1,105	Total applications of operating funding (B)	1,138	1,220	
27	93	Surplus (deficit) of operating funding (A-B)	31	(257)	
Sources of capital funding					
-	-	Subsidies and grants for capital expenditure	-	-	
-	-	Development and financial contributions	-	-	
-	-	Increase (decrease) in debt	287	190	The delay in capital spending has resulted in less debt funding being required to date.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
-	-	Total sources of capital funding (C)	287	190	
Applications of capital funding					
Capital expenditure					
-	-	- to meet additional demand	-	-	
-	-	- to improve the level of service	300	8	The planned upgrade of one of the three transfer stations has not yet progressed as budgeted.
-	-	- to replace existing assets	2	-	
27	93	Increase (decrease) in reserves	16	(75)	
-	-	Increase (decrease) in investments	-	-	
27	93	Total application of capital funding (D)	317	(67)	
(27)	(93)	Surplus (deficit) of capital funding	(31)	257	
-	-	Funding balance ((A - B) = (C - D))	-	-	

STORMWATER

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
65	65	General rates, uniform annual general charges, rates penalties	61	60	
400	400	Targeted rates	371	371	
-	-	Subsidies and grants for operating purposes	-	-	
-	-	Fees and charges	-	-	
31	31	Internal charges and overheads recovered	53	31	
-	-	Local authorities fuel tax, fines, infringement fee, and other receipts	-	-	
496	496	Total operating funding (A)	485	462	
Applications of operating funding					
70	135	Payments to staff and suppliers	82	71	
32	24	Finance costs	-	-	
107	109	Internal charges and overheads applied	95	108	
-	-	Other operating funding applications	-	-	
209	268	Total applications of operating funding (B)	176	179	
288	228	Surplus (deficit) of operating funding (A-B)	309	283	
Sources of capital funding					
-	-	Subsidies and grants for capital expenditure	430	-	The budget included a contribution for the Avenue Road North stormwater disposal that did not eventuate.
12	110	Development and financial contributions	12	144	Higher development contribution mainly due to Matamata subdivision.
-	-	Increase (decrease) in debt	-	(199)	The delay in capital spending has resulted in less debt funding being required to date.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
12	110	Total sources of capital funding (C)	442	(55)	
Applications of capital funding					
Capital expenditure					
-	-	- to meet additional demand	200	-	Tower Road and Eldonwood projects have yet to progress.
75	66	- to improve the level of service	530	127	The Avenue Road Morrinsville project budgeted has not progressed.
-	-	- to replace existing assets	-	-	
224	272	Increase (decrease) in reserves	20	101	
-	-	Increase (decrease) in investments	-	-	
299	338	Total application of capital funding (D)	750	228	
(287)	(228)	Surplus (deficit) of capital funding	(309)	(283)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

WASTEWATER

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
-	-	General rates, uniform annual general charges, rates penalties	-	-	
3,097	3,115	Targeted rates	3,279	3,286	
-	-	Subsidies and grants for operating purposes	-	-	
320	374	Fees and charges	321	380	Trade waste income is higher in Morrinsville and Matamata due to greater volumes from industrial users. This is offset slightly by a lower income from Te Aroha.
50	50	Internal charges and overheads recovered	82	50	
-	-	Local authorities fuel tax, fines, infringement fee, and other receipts	-	-	
3,467	3,539	Total operating funding (A)	3,682	3,716	
Applications of operating funding					
1,535	1,491	Payments to staff and suppliers	1,678	1,389	Wastewater expenditure is in line with last year. \$90,000 has been budgeted for the compliance module, and \$50,000 budgeted for the five-yearly field irrigation maintenance. License to Operate and Bio-remediation will be spent later in year.
328	253	Finance costs	267	249	
-	-	Internal charges and overheads applied	234	273	
270	273	Other operating funding applications	-	-	
2,133	2,017	Total applications of operating funding (B)	2,179	1,911	
1,334	1,522	Surplus (deficit) of operating funding (A-B)	1,503	1,805	
Sources of capital funding					
-	-	Subsidies and grants for capital expenditure	-	-	
55	264	Development and financial contributions	313	603	Higher development contribution mainly due to Matamata subdivision.
-	-	Increase (decrease) in debt	380	(1,524)	Rescheduled capital and renewal projects has resulted in less debt funding being required to date.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
55	264	Total sources of capital funding (C)	693	(921)	
Applications of capital funding					
Capital expenditure					
15	-	- to meet additional demand	25	-	
365	75	- to improve the level of service	605	59	Capital and renewal projects have been rescheduled.
505	33	- to replace existing assets	1,532	58	
504	1,678	Increase (decrease) in reserves	33	767	
-	-	Increase (decrease) in investments	-	-	
1,389	1,786	Total application of capital funding (D)	2,195	884	
(1,334)	(1,522)	Surplus (deficit) of capital funding	(1,503)	(1,805)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

WATER

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
-	-	General rates, uniform annual general charges, rates penalties	-	-	
2,340	2,160	Targeted rates	2,387	2,143	Metered water consumption from Open Country Dairy and Fonterra is lower than budgeted
-	-	Subsidies and grants for operating purposes	-	-	
18	142	Fees and charges	18	8	
25	25	Internal charges and overheads recovered	16	25	
-	-	Local authorities fuel tax, fines, infringement fee, and other receipts	-	-	
2,383	2,327	Total operating funding (A)	2,421	2,176	
Applications of operating funding					
1,115	1,183	Payments to staff and suppliers	1,172	1,446	There were a number of one-off extraordinary expenses above what was budgeted, including staff, sampling and reporting costs related to events, catchment risk assessments, water safety plans, compliance recovery projects, etc. Reticulation costs are higher due to more spending on maintenance than budgeted at this point. Asset management costs are under spent to December but are expected to be spent in the second half of the year.
180	146	Finance costs	109	104	
264	266	Internal charges and overheads applied	249	266	
-	-	Other operating funding applications	-	-	
1,559	1,595	Total applications of operating funding (B)	1,530	1,816	
824	732	Surplus (deficit) of operating funding (A-B)	891	360	
Sources of capital funding					
-	-	Subsidies and grants for capital expenditure	-	-	
46	221	Development and financial contributions	169	435	Higher development contribution mainly due to Matamata subdivision.
1,616	-	Increase (decrease) in debt	1,301	541	The delay in capital spending has resulted in less debt funding being required to date.
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
1,662	221	Total sources of capital funding (C)	1,470	976	

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Applications of capital funding					
		Capital expenditure			
20	-	- to meet additional demand	88	-	
2,358	298	- to improve the level of service	720	481	Priority has been re-assigned and some projects have been moved to 2019/20.
611	388	- to replace existing assets	1,525	1,129	Reticulation contract has been awarded and will be completed during the year. Plant renewal will be spent when required.
(503)	267	Increase (decrease) in reserves	29	(274)	
-	-	Increase (decrease) in investments	-	-	
2,486	953	Total application of capital funding (D)	2,361	1,336	
(824)	(732)	Surplus/(deficit) of capital funding	(891)	(360)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

CONSENTS AND LICENSING

Funding impact statement for the six months ended 31 December 2018

Annual Plan Budget December 2017	Actual December 2017		Long Term Plan Budget December 2018	Actual December 2018	Explanation of key variances to the budget
(\$000)	(\$000)		(\$000)	(\$000)	
Sources of operating funding					
969	971	General rates, uniform annual general charges, rates penalties	990	990	
-	-	Targeted rates	-	-	
-	-	Subsidies and grants for operating purposes	-	-	
638	1,114	Fees and charges	881	1,155	Resource and building consent income is higher due to increased activity. Animal control income received at the start of the financial year.
-	-	Internal charges and overheads recovered	-	-	
18	20	Local authorities fuel tax, fines, infringement fee, and other receipts	16	33	Dog fines received are higher than budgeted at this point.
1,625	2,105	Total operating funding (A)	1,887	2,178	
Applications of operating funding					
905	1,111	Payments to staff and suppliers	1,141	1,044	There have been no expenses arising for appeals to date, reducing costs to budget. This is offset slightly by building and resource consent costs increasing in line with the higher activity in this area.
-	-	Finance costs	-	-	
615	625	Internal charges and overheads applied	640	623	
-	-	Other operating funding applications	-	-	
1,520	1,736	Total applications of operating funding (B)	1,781	1,667	
105	369	Surplus (deficit) of operating funding (A-B)	106	511	
Sources of capital funding					
-	-	Subsidies and grants for capital expenditure	-	-	
-	-	Development and financial contributions	-	-	
-	-	Increase (decrease) in debt	-	-	
-	-	Gross proceeds from sale of assets	-	-	
-	-	Lump sum contributions	-	-	
-	-	Other dedicated capital funding	-	-	
-	-	Total sources of capital funding (C)	-	-	
Applications of capital funding					
-	-	Capital expenditure	-	-	
-	-	- to meet additional demand	-	-	
-	-	- to improve the level of service	-	-	
-	-	- to replace existing assets	-	-	
105	369	Increase (decrease) in reserves	106	511	
-	-	Increase (decrease) in investments	-	-	
105	369	Total application of capital funding (D)	106	511	
(105)	(369)	Surplus (deficit) of capital funding	(106)	(511)	
-	-	Funding balance ((A - B) = (C - D))	-	-	

PERFORMANCE MEASURES

Below is a summary of Council's progress at the six month mark against its performance measures.

Not achieved

Not on track

On track

Information not available

PERFORMANCE MEASURE	TARGET	TRACKING
Community Facilities and Property		
Carparks and Street Furniture		
90% or more of damage, vandalism and graffiti complaints regarding Council carparks and street furniture will be responded to within the assigned timeframe. <i>One (1) complaint went over time regarding a broken bollard caused by a truck.</i>	90% or more	89% response rate. (8/9)
Cemeteries		
Percentage of people who have visited a Council cemetery in the last year who are satisfied with the cemeteries.	80% or more	90% of visitors were satisfied with Council cemeteries.
Housing and Property Management		
Percentage of elderly persons housing tenants who are satisfied with the standard of maintenance and accommodation. <i>Elderly persons survey is carried out annually and is planned for March/April 2019.</i>	80% or more satisfied	Information not available.
Rent charged for elderly persons housing will be below the market median for the district.	Rents are below the market median	Rent is below market median.
At least 95% of elderly persons housing will be occupied.	95% or more	100% of elderly persons housing was occupied.
Libraries		
The number of people visiting our libraries. <i>Matamata - 24,667 Morrinsville - 30,925 Te Aroha - 18,580</i>	Visitor and online user numbers will be within 5% of the five year average. (99,742 is the six month average)	101,217 visitor and online users.
The number of people accessing library information online. <i>Online users - 27,045</i>		
The number of library members who have been active (used their library card) in the last 12 months.	2018/19 benchmark	3,232 library members used their library card.
The percentage of users who are satisfied with library services.	90% satisfied or more	88% of users satisfied with Council libraries.
Parks and Tracks		
Percentage of users satisfied with sports fields.	80% or more of users satisfied	76% of users were satisfied with sports fields.
Percentage of users satisfied with parks and reserves.	80% or more of users satisfied	78% of users were satisfied with parks and reserves.
Playground safety will be assessed on a regular basis.	Inspections will be undertaken once every two weeks, and once every week during school holidays. An external audit will be undertaken annually to evaluate compliance with the relevant New Zealand standard.	All scheduled inspections for the second quarter have been undertaken.
Pools and Spas		
Four independent safety and quality audits will be carried out on Swim Zone Te Aroha, Swim Zone Matamata and Te Aroha Mineral Spas. Two independent safety and quality audits will be carried out on Swim Zone Morrinsville. <i>During the first six months Watershed has completed two audits for the Te Aroha Mineral Spas, Te Aroha and Matamata Swim Zone and one audit completed for Morrinsville Swim Zone.</i>	Achieved	On track.
Percentage of users satisfied or very satisfied with pool facilities.	80% or more of customers satisfied	68% of customers were satisfied with pool facilities.
The number of customers using our pool facilities will be maintained. <i>Swim Zone Matamata - 56,737 Swim Zone Te Aroha - 16,467 Swim Zone Morrinsville - 2,025 Te Aroha Mineral Spas - 16,410</i>	Visitor numbers will be within 5% of the five year average. (73,682 is the six month average)	91,639 visitors to our pools and spas.

Not achieved

Not on track

On track

Information not available

PERFORMANCE MEASURE	TARGET	TRACKING
Public Toilets		
The number of complaints received regarding dissatisfaction with the cleanliness of public toilets. <i>These complaints came from across the district. The Waharoa toilets received the most complaints with five (5).</i>	20 or fewer complaints about cleanliness per year	22 complaints.
Recreation Facilities and Heritage		
90% or more of damage, vandalism and graffiti complaints regarding recreation and heritage facilities will be responded to within the assigned timeframe. <i>One complaint went over time regarding a damaged picnic table.</i>	90% or more	89% response rate. (8/9)
Strategy and Engagement		
Civil Defence		
We will have sufficient trained staff within the Thames Valley Emergency Management Operating Area.	45% or more	47% capability in civil defence.
Communications and Events		
We will hold one function annually to recognise volunteers, ANZAC Day commemorations and two functions to contribute to economic development	We will hold on function annually to recognise volunteers, ANZAC Day commemorations and two functions to contribute to economic development	On track - the Annual Business Night Out was held on 12 October 2018, with over 250 tickets sold.
We will develop one new digital service per year to allow customer to exchange money or information with Council.	One new transaction or service per year	Information not available.
Percentage of residents who are satisfied with ease of access to Council information.	63% or more of residents satisfied	72% satisfied.
Community Leadership		
Percentage of the community satisfied with the leadership of the Councillors and Mayor. <i>Previous measure was PERFORMANCE of Mayor and Councillors. This year LEADERSHIP of Councillors and Mayor is measured.</i>	2018/19 Benchmark	67% satisfied.
Percentage of Te Manawhenua Forum members satisfied with progress made towards achieving the identified work streams. <i>The Annual Survey of Te Manawhenua Forum members will be undertaken in 2019.</i>	2018/19 Benchmark	Information not available.
Monthly reporting to Council showing our progress towards health and safety targets.	11 Reports to Council per year	On track - five (5) health and safety reports were presented to Council.
Strategies and Plans		
Percentage of the community satisfied that they have been provided with an opportunity to be involved in consultation processes.	52% (maintain 2015/16 benchmark)	66% satisfied.
State of the Environment monitoring reports will be updated on Council's website each year.	20 November each year	The State of Environment Report 2018 was published on our website by 20 November 2018.

		<div>Not achieved</div> <div>Not on track</div> <div>On track</div> <div>Information not available</div>
PERFORMANCE MEASURE	TARGET	TRACKING
Infrastructure		
Roading		
<p>The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number.</p> <p><i>Comparison with 2017/18 will be provided at the end of the financial year.</i></p>	A reduction in the number of fatal and serious crashes from the previous year	Information not available.
<p>The average quality of ride on a sealed local road network, measured by smooth travel exposure.</p> <p><i>This is a biannual survey, which is scheduled for early 2019.</i></p>	97% or more	Information not available.
<p>The percentage of the sealed local road network that is resurfaced.</p> <p><i>During the period 1 July- 31st December, 20km of our planned resurfacing work has been completed. This is 2% of our total 1004km network and more work will be undertaken in the next half of the year. We are expecting to reach our target of 8.5% by the end of the year.</i></p>	8.5% or more	2% of sealed local roads that are resurfaced.
<p>The percentage of footpaths within our district that fall within the level of service standard for the condition of footpaths that is set out in our relevant documents (such as our annual plan, activity management plan, asset management plan, annual works program or Long Term Plan).</p> <p><i>This is a biannual survey, which is scheduled for early 2019.</i></p>	95% or more within the acceptable level of service	Information not available.
<p>The percentage of customer service requests relating to roads and footpaths that the territorial authority responds to within the time frame specified in the Long Term Plan.</p> <p><i>Seven (7) urgent roading requests were received and 315 non-urgent roading request were received, of which 304 were responded to within assigned time frames.</i></p>	90% of urgent requests responded to within one working day	100% response rate.
	90% of non-urgent requests responded to within five working days	97% response rate.
Rubbish and Recycling		
Percentage of residents satisfied with kerbside, rubbish and recycling collection services and transfer stations.	80% or more satisfied or very satisfied	86% of residents satisfied with Council rubbish services.
<p>Number of complaints about kerbside refuse and recycling not collected on the usual collection day.</p> <p><i>During the period July to December we received 26 complaints about missed property.</i></p>	20 or less complaints on average per month	4.3 complaints on average per month.
<p>Total quantity of kerbside household waste sent to landfill.</p> <p><i>This information will be reported on annually.</i></p>	Reduction of 1% per person per year	Information not available.
Proportion of waste diverted (recycled or composted) from the transfer station and kerbside recycling collection service.	45% or more of the total waste diverted from landfill	35.82% of total waste from landfill was diverted.
Stormwater		
<p>The number of flooding events that occur in our district.</p> <p>For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to our stormwater system).</p>	0 flooding events 0 habitable floors affected	Zero (0) received.
Compliance with our resource consents for discharge from our stormwater system. (measured by the number of: abatement notices, infringement notices, enforcement orders, and convictions received in relation to those resource consents).	Zero	Zero (0) received.
The median response time to attend a flooding event, measured from the time that we receive notification to the time that the service personnel reach the site.	Median: 4 hours	Zero (0)
<p>The number of complaints we received about the performance of our stormwater system (expressed per 1,000 properties connected to our stormwater system).</p> <p>These were spread over the district.</p>	4 complaints per 1,000 connections per year (32 in total)	Twenty one (21) complaints were received.
Wastewater		
<p>The number of dry weather sewage overflows from our wastewater system (expressed per 1,000 connections per year to our wastewater system).</p> <p><i>These overflows occurred across the district.</i></p>	1 compliant per 1,000 connections per year (8 total)	Ten (10) dry weather overflows.
Compliance with our resource consents for discharge from our wastewater. (measured by the number of: abatement notices, infringement notices, enforcement orders, and convictions received in relation to those resource consents).	Zero	Zero (0) received.
Where we attend to sewage overflows resulting from a blockage or other fault in our wastewater system, we will measure the following median response times:		
Attendance time: from the time that we receive notification to the time that service personal reach the site	Median: 4 hours	The median attendance time was 75 minutes. (1.25 hours)
Resolution time: from the time that we receive notification to the time that service personal confirm resolution of the blockage or other fault.	Median 24 hours	The median resolution time was 209 minutes. (3.4 hours)

Not achieved

Not on track

On track

Information not available

PERFORMANCE MEASURE**TARGET****TRACKING**

The total number of complaints received by Council about any of the following (expressed as 1,000 connections per year):

Sewage odour

Two (2) complaints regarding the sewage odour.

Wastewater system faults

Six (6) complaints regarding wastewater system faults.

Wastewater system blockages

Nine (9) complaints regarding wastewater blockages.

Council's response to issues with our wastewater system

17 complaints per 1,000 connections (128 total)

17 complaints.

Water

The extent to which Council drinking water supply complies with:

Part 4 of the drinking-water standards (bacteria compliance criteria).

The drinking water compliance report is completed annually and is expected to be completed in 2019.

Part 5 of the drinking-water standards (protozoal compliance criteria).

The drinking water compliance report is completed annually and is expected to be completed in 2019.

Compliant

Information not available.

The percentage of real water loss from Council's networked reticulation system (using minimum night flow analysis).

25% or less

Information not available.

Where we attend a call-out in response to a fault or unplanned interruption to our networked reticulation system, we will measure the following median response times:

Attendance for urgent call-outs: from the time that we receive notification to the time that service personnel reach the site.

Median: 4 hours or less

3 minutes (or 0.05 hours).

Resolution of urgent call-outs: from the time that we receive notification to the time that service personnel confirm resolution of the fault or interruption.

Median: 24 hours or less

116 minutes (or 1.9 hours).

Where we attend to a call-out in response to a fault or unplanned interruption to our network reticulation system, we will measure the following median response times:

Attendance for non-urgent call-outs: from the time we receive notification to the time that service personnel reach the site

Median: 3 working days or less

One (1) working day.

Resolution of non-urgent call-outs: from the time that we receive notification to the time that service personnel confirm resolution of the fault or interruption.

There are still four (4) requests that are open. Three (3) are in relation to leaking fire hydrants and one (1) is ongoing due to a required shut-down of an adjacent building. Negotiations with the building owner is ongoing to find suitable time for the required shut-down.

Median: 5 working days or less

Two (2) working days.

The total number of complaints received by Council about any of the following (expressed per 1,000 connections per year):

Drinking water clarity.

Twenty two (22) complaints regarding the drinking water clarity. 10 were from 13/09/2018 from the same incident in Te Aroha.

Drinking water taste.

Drinking water odour.

Drinking water pressure or flow.

Nine (9) complaints regarding the drinking water pressure or flow.

Continuity of supply.

Two (2) complaints regarding the continuity of supply.

Council's response to any of these issues.

One (1) complaint about Council's response to any of these issues.

9 complaints per 1,000 connections across all categories (total of 72 complaints based on 8,000 connections)

34 complaints in total.

The average consumption of drinking water per day per resident within the district.

This information will be reported on annually.

500 litres per urban resident per day

Information not available.

		<div>Not achieved</div> <div>Not on track</div> <div>On track</div> <div>Information not available</div>
PERFORMANCE MEASURE	TARGET	TRACKING
Consents and Licensing		
Animal Control		
Complaints will be investigated within set timeframes.	95% within adopted timeframes	94.7% were responded to within adopted timeframes.
Number of property visits per year	At least 600 property visits per year	371 properties were visited.
Number of street patrols undertaken in each of the three main towns. <i>Our average street patrols per town per month is:</i> <i>Matamata - 44</i> <i>Morrinsville - 33</i> <i>Te Aroha - 23</i>	At least an average of 10 per month per town	33 patrols per month per town.
Building Consents and Monitoring		
Building consents processing timeframes. <i>408 building consents were received.</i>	100% of building consents will be processed within statutory timeframes	100% of building consents were processed within statutory timeframes.
Complaints to be responded to within 10 working days. <i>There are still five (5) unresolved requests currently being followed up by staff.</i>	100% of complaints to be responded to within 10 working days	81% (17/21)
Licensing and Enforcement		
Food premise, hairdressers and camping grounds will be inspected or audited in accordance with legislation. <i>Under the existing Health Act the majority of Health Licences are inspected in the second half of the financial year - we are on track to achieving this.</i> <i>All applications under the new Health Act 2014 which set individual anniversary dates are currently meeting statutory requirements and are on track to being inspected within the required timeframe.</i>	100% inspected or audited	On track.
On, Off and Club alcohol licenced premises will be inspected annually to ensure they comply with alcohol licensing standards. <i>We space these inspections throughout the year, we are currently on track to having these all inspected by 30 June 2019.</i>	100% inspected annually	On track.
Percentage of after-hours (between 5pm and 8am, weekends and public holidays) noise complaints responded to within two hours.	100% responded to within two hours	100% responded to within two hours.
Resource Consents and Monitoring		
Percentage of resource consents processed within statutory timelines. <i>Due to resourcing issues two of the consents granted in November exceeded the timeframe.</i>	100%	98% of which were processed within the statutory timeframes. (123/125)
Percentage of land use consents monitored within four months of being granted.	100%	100% landuse consents were monitored within four months of being granted. (67/67)

Health and Safety Reports - November and December 2018 and January 2019

Trim No.: 2106855

Executive Summary

The November report to Council in December 2018 was for the period to 20 November 2018. The finalised report for the full month is now attached.

The report for the period December 2018 – January 2019 is also attached.

The H&S Manager will be in attendance to discuss the report with Council.

Recommendation

That:

1. That the reports be received.

Attachments

- A. 20th - 30th November 2018 Health and Safety Report
- B. December 2018 & January 2019 Health and Safety Reports

Signatories

Author(s)	Sandy Barnes Health & Safety/Quality Manager	
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Approved by	Dennis Bellamy Group Manager Community Development	
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Health & Safety Report – November 2018

Introduction

The Health & Safety Committee met and reviewed the results of the H&S Climate survey. Their recommendations were taken into consideration when the work plan for 2019 was developed. Refer to page: 13.

Events of interest during the month included:

- Minor vehicle accident – KVS truck backed into campervan.
- Abusive customer regarding Morrinsville Pool closure due to faulty pump.
- Break-in at DOC shed in Te Aroha Domain.
- Customer concern regarding height of steps inside mens' public toilet near the Matamata Soccer Club.
- Two incidents relating to inappropriate storage of tables & chairs at Matamata Civic Centre.
- Two instances of wrist discomfort. Workstation set-ups have been reviewed.

The annual review of risk management was completed and the recommendations considered when prioritising the work plan for 2019.

**Terminology: the term 'event' used in the Health and Safety at Work Act (2015) includes safety events such as incidents (including near misses), injuries, illnesses and fatalities.*

Annual Key Objectives

Our key objectives for 2018 are:

- Improving contractor H&S management
- Improving safety collaboration
- Improving accessibility to H&S information
- Improving health and wellbeing (improve general health, stress and bullying reduction)

Information on how these objectives will be achieved, measured and our progress are included at the back of this report as Appendix A.

Monitoring risk

Risk Management

Hazard/Risk tracking

# new risks identified	3	New Jacobsen Mower; Matamata Waste Water Treatment Plant: pump room compressor. Working on/over water
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# existing risks reviewed	156
# risk control (CA's) completed	55

# existing risks overdue for review	17*
# risk control (CA's) overdue 15+ days**	56

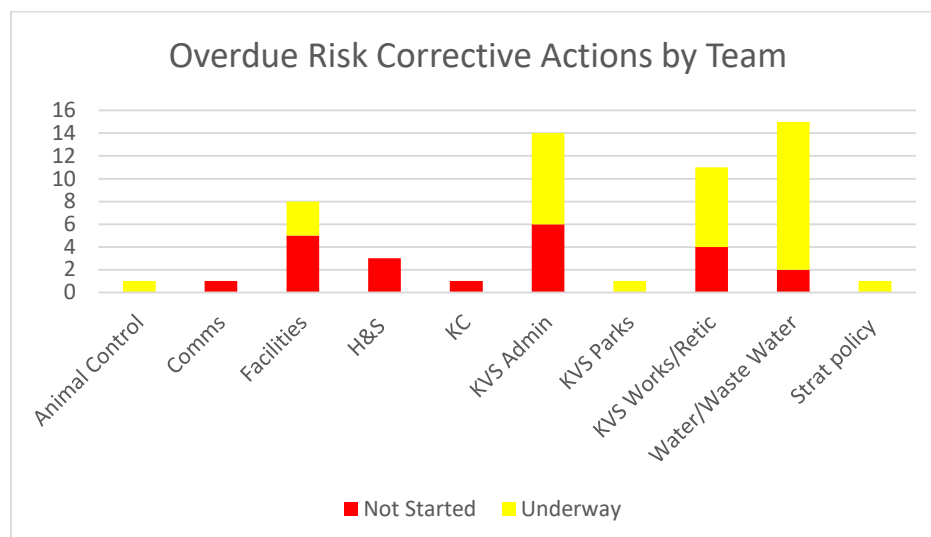
*The KVS H&S Coordinator is working through the outstanding Retic/Works and Parks team risks.

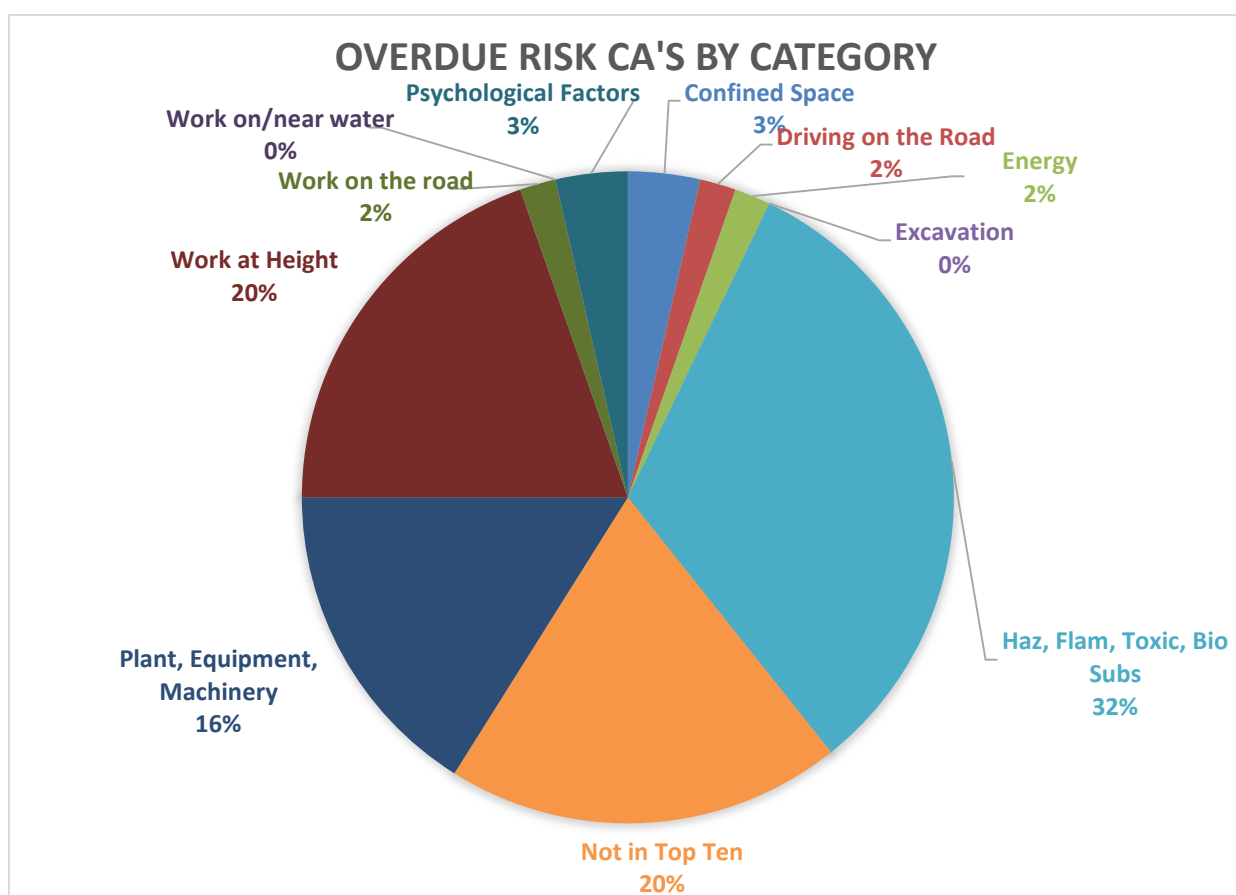
** Explanation of risk control CA's

During a risk review corrective controls are identified. These are then loaded into Vault and allocated to the appropriate staff member to action. A timeframe is placed on the CA for completion. These controls are therefore 15+ days over the timeframe placed for completion. This figure does not differentiate between high and low risks.

The two graphs below explain

1. the number of corrective actions (CA's) overdue by team and whether they are "Underway" or "Not Started".
2. which of our "Top 10" risk categories the CA's fall into.





Note: Hazardous substances category includes silica dust, asbestos and waste water.

Council's organisation wide "Top 10 critical risks / significant hazards" categories

RISK / HAZARD	ACTION TAKEN
Hazardous, flammable, toxic, biological substances	<ul style="list-style-type: none"> Faecal incident at pools. Chemical delivery driver not wearing appropriate PPE
Driving on the roads	<ul style="list-style-type: none"> Minor vehicle accident – truck backed into campervan.
Psychological factors	<ul style="list-style-type: none"> Abusive customer regarding Morrinsville Pool closure due to faulty pump.
Confined space entry	
Working on the road	
Working at heights	
Energy	<ul style="list-style-type: none"> Frequent Pool closures due to thunder and lightning
Excavations	
Working over / near water	
Plant, equipment, machinery	<ul style="list-style-type: none"> Two incidents relating to inappropriate storage of tables & chairs at

	<p>Matamata Civic Centre.</p> <ul style="list-style-type: none"> Two instances of wrist discomfort. Workstation set-ups have been reviewed.
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Staff inductions

# staff inductions completed	3	# staff inductions outstanding	0
# refresher inductions completed	0	# refresher inductions outstanding	0

Procurement

# procurement assessments completed	1	
# procurement assessments outstanding	0	

Plant, equipment & machinery

# incidents / near misses where plant/equipment design is a contributing factor	0	
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Review & Audits

# internal audits conducted	3	The annual review of risk management was completed.
# internal audits outstanding*	6	
# external audits conducted	0	

* Schedule of audits to be conducted by H&S Reps

Process / Risk / Hazard	Top 10 Risk Category	Auditor	Due date
General Maintenance at Transfer Stations	Substances	Bryan Turner	April
Epipen Use	Critical incidents	Charissa Tarry	Completed
Stumpgrinder Safe Work Procedure	Plant, equip, mach.	Tony Watts	Completed
Pressure DE filter washdown	Substances	Trudy Haines	Completed
Lifting a pump from a well (with safety rails)	Working on/over water	Hayley Coetzer	Completed
Jacobson Mower Safe Work Procedure	Plant, equip, mach.	Stacey Blake	Completed
Tie Down & Lifting Chain Inspection	Plant, equip. Mach.	Kerry Tanner	Completed
Mowing Waharoa Aerodrome	Plant, equip, machinery	Gary Robinson	Completed
Safe work with Asbestos Cement Pipes (AC Pipes)	Substances	Daniel Wright	May
Hazardous Waste Sheds – Refuse Transfer Stations	Substances	Kenneth Ranger	Completed
Self Contained Breathing Apparatus	Plant, equip, mach.	Charissa Tarry	Completed
Safe Work with a Harness	Working at Heights	Rochelle Rogers	June
Annual Ladder inspections	Plant, equip, mach.	Stacey Blake	Completed
Disposal of screenings MVWWTP	Substances	Rick Smith	Completed
Lightning Emergency Procedure	Energy	Kerry Tanner	August
Monitoring Sodium Hypo Liquid Bulk Delivery –	Substances	Ross Hall	Completed

SZMM & Sodium Hypo Safety Procedure			
KVS Escalation – Working Alone Serv.	Critical incidents	Rochelle Rogers	August
Hedge Trimming Safe Work Procedure	Plant, equip, mach.	Hayley Coetzer	Completed
Lifting manhole lids (Retic)	Working over/near water	Trudy Haines	September
Lock Out Process for Electrical, Air or Hydraulic Driven Machinery	Plant, equip, mach.	Gary Robinson	October
Safe Access to Silver Fern Farms Events Centre roof	Working at Heights	Daniel Wright	October
Operating crane vehicle	Plant, equip, mach.	Sandy Barnes	November
Fitting extensions to Fork Hoist	Plant, equip. Mach.	Ross Hall	Completed
Emergency Safety Shower & Eye Wash Test	Plant, equip, mach.	Rick Smith	November
Safe work around an excavator & Excavator Loading & Unloading PL625	Excavations	Sandy Barnes	November
Safe Work on Water – Using a Boat	Working on/near water	Bryan Turner	November
MMWWTP - Entering Influent Chamber for Routine Washdown	Confined Space	Tony Watts	December
Investigate and repair a Catchpit Tomo	Working over /near water	Schedule in 2019	
Agrichemical Application	Substances	Schedule in 2019	
Cleaning Septage Unit	Substances	Schedule in 2019	
Te Poi – 200L PACL drum deliveries	Substances	Schedule in 2019	
Vacuum Cleaner : Safe method to remove filter and dust bag	Plant, equip, mach.	Schedule in 2019	

Emergency Management

Emergency Response Plan testing

Emergency Response Plans (ERP) still to be written	4	Waste Water plants.
Emergency Response Plans (ERP) tested by due date	0	None scheduled.
Emergency Response Plans (ERP) test overdue	1	Matamata Water Treatment Plant is overdue – This has been discussed with Matamata Fire Brigade and is being postponed to February 2019.

Building Trial Evacuations

Trial evacuations completed on time	0	None scheduled.
Trial evacuations overdue	12	Te Aroha Event Centre, AR Johns Building, Westpac Event Centre, SwimZone Matamata, Matamata Memorial Centre, Waste Water Treatment Plants (x5), Water Treatment Plants (x2) These have been discussed with the relevant staff.
Trial evacuations completed for Council halls	0	
Trial evacuations/training programmes overdue for Council halls	8	Waitoa (no reply to emails), Tauhei (scheduled for 27 November) Manawaru (no reply to phone calls), Tatuani (scheduled for 12 December), Tahuna (scheduled for 14 November), Piarere (scheduled for 4 December), Hoe-O-Tainui (no reply to phone calls), Kereone (scheduled for 6 December)

Emergency Equipment checks

# equipment checks conducted	0
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Staff health / monitoring

Health monitoring conducted

Summary of testing provided	Number completed	Issues or referrals to another health professional
Annual/repeat health monitoring	18	Abnormal spirometry (1), GP referral for noise induced hearing loss
Pre-employment testing	1	
Exit medical screening		
Wellness (voluntary)	5	
Workstation Assessments	4	
Health promotion/tool box talks		
Vaccinations	5	
Bloods	1	
Respirator fit tests conducted	32	
Asbestos surveillance chest x-rays	5	

Health monitoring declined

None.

Drug testing

# pre-employment drug tests	2	No issues.
# post incident drug tests conducted	1	No issues.
# reasonable cause drug tests	0	
# random drug tests conducted	10	No issues.

Return to work (RTW) programmes

# work related RTW programmes	0	
# pending work related RTW programmes	0	
# pending non-work related RTW programmes	3	

Site safety audits (non-Contractor sites)

# audits conducted	2	Works Team, SwimZone Matamata
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Events (Accident / Incidents)

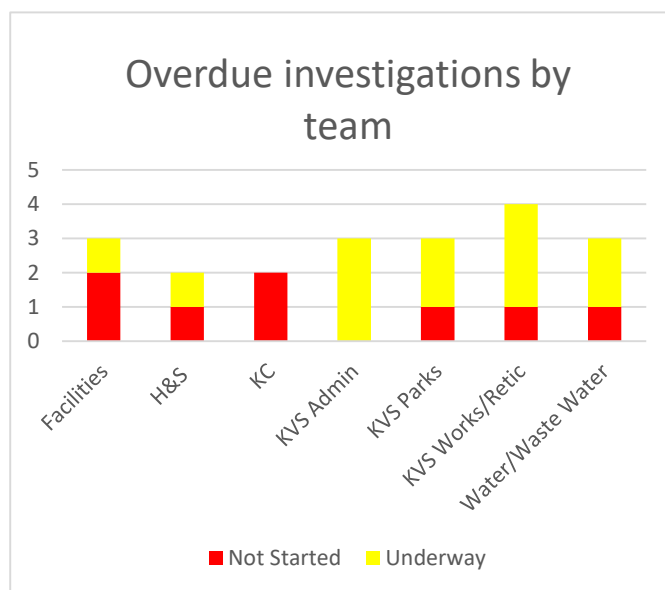
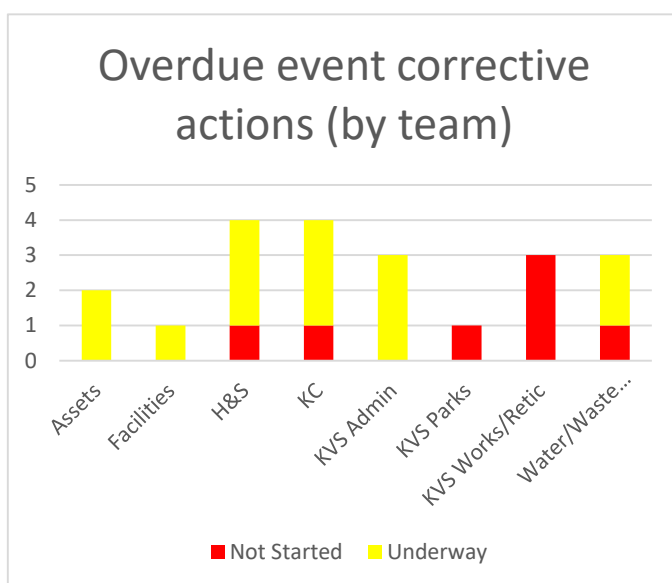
# incidents for period	36	# incidents notifiable to WorkSafe	0
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# of LTI's	0
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# ACC claims	1
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Investigations not completed by due date*	20
Incident Corrective actions not completed by due date^	21

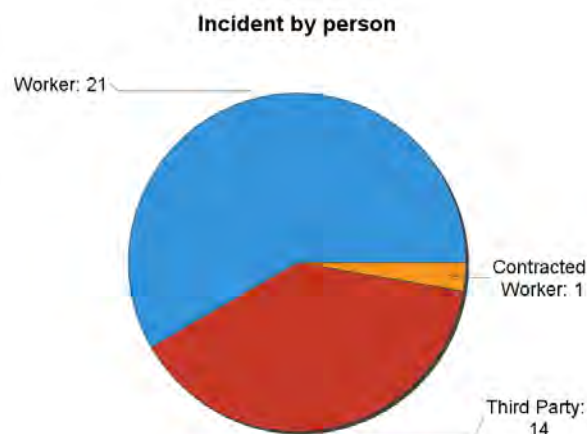
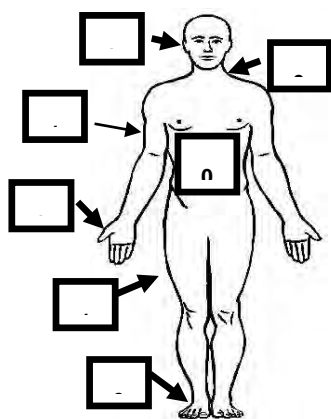
^ Accident/event corrective actions overdue by more than 15 days



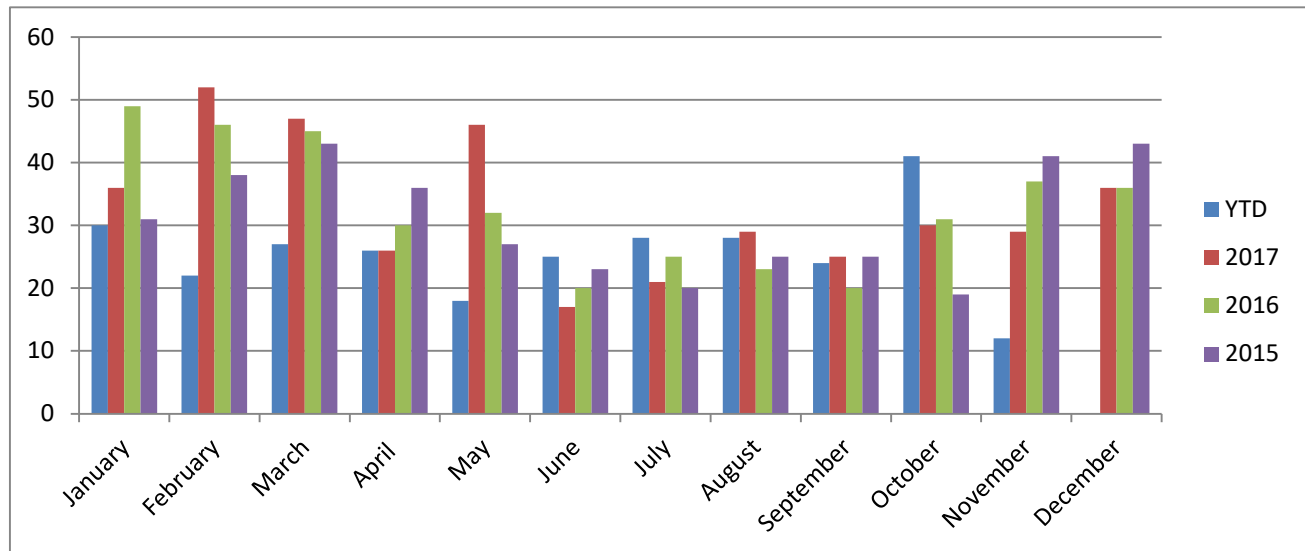
Location of incidents

Firth Tower	1	i-Site	3	SwimZone MM	8	Te Aroha Office	3	MM Civic Centre	2
3 Waters	2	TA Library	1	SwimZone MV	8	Off Site	6	SwimZone TA	2

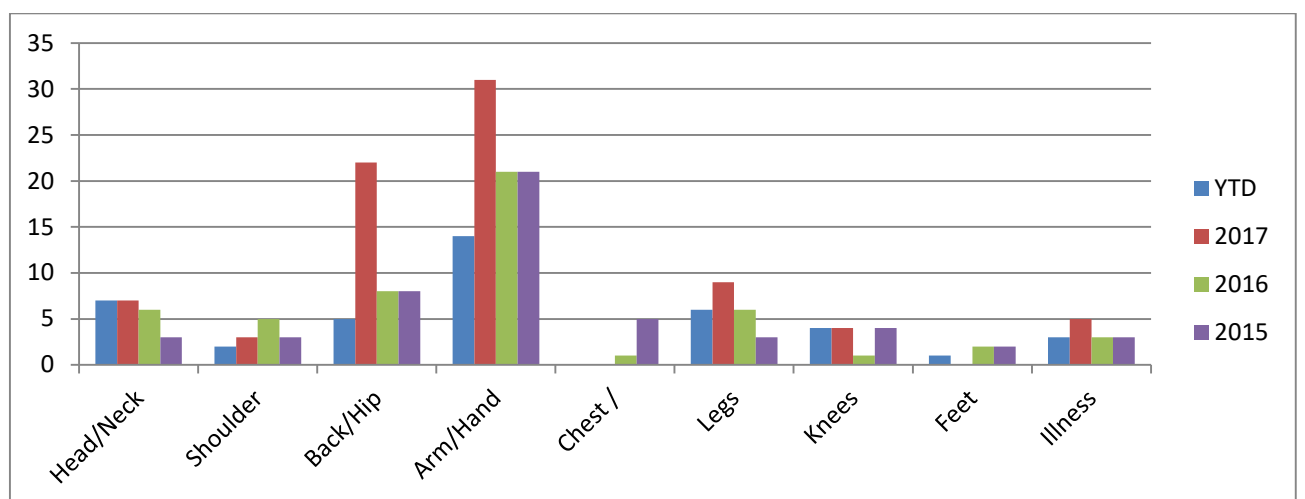
Staff injury by body location:



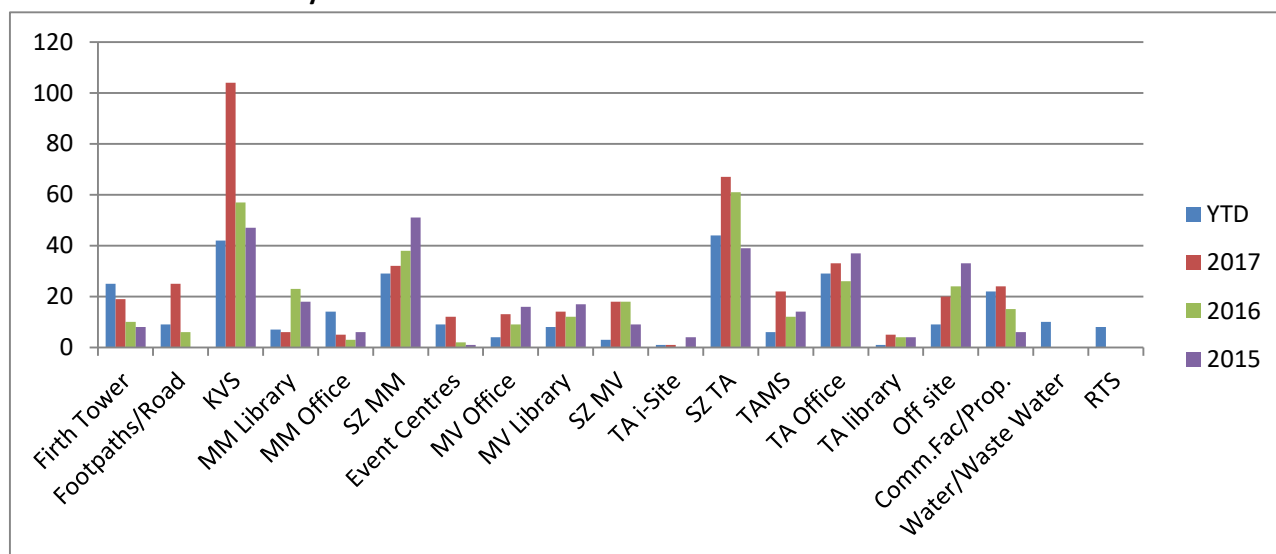
Total Incidents by month



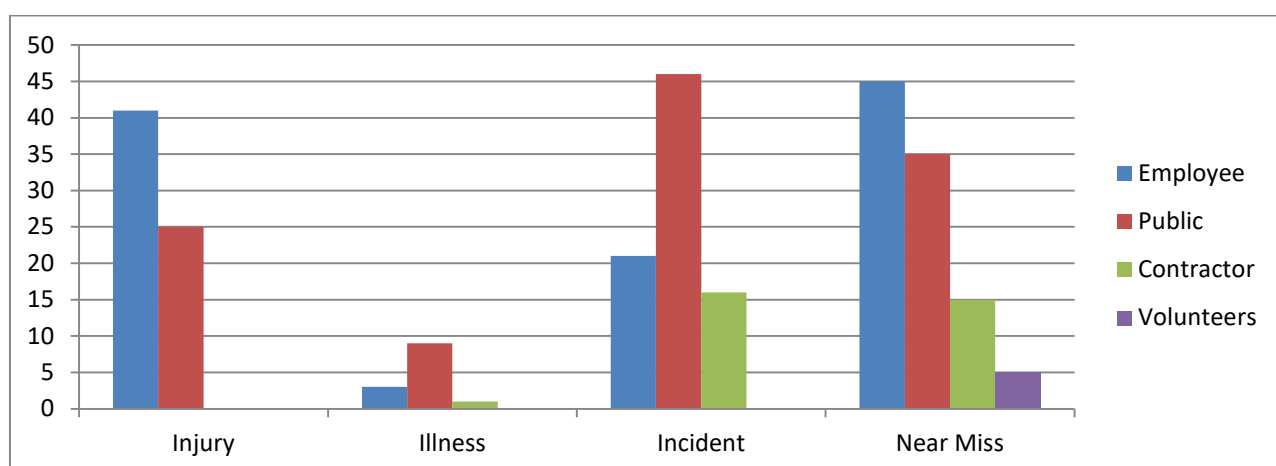
Staff incidents by body location



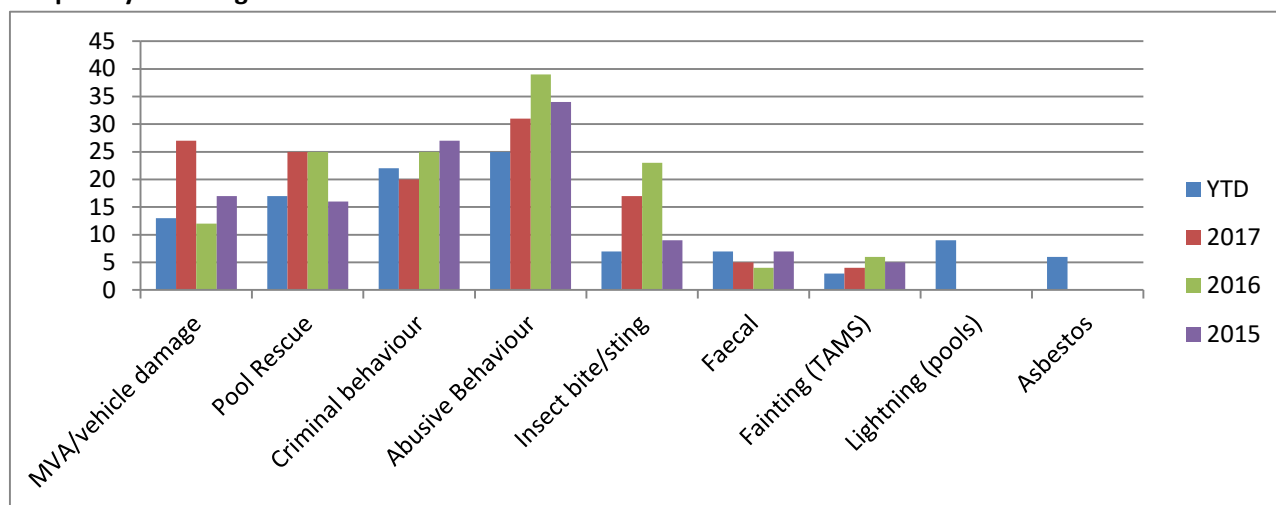
Breakdown of incidents by site



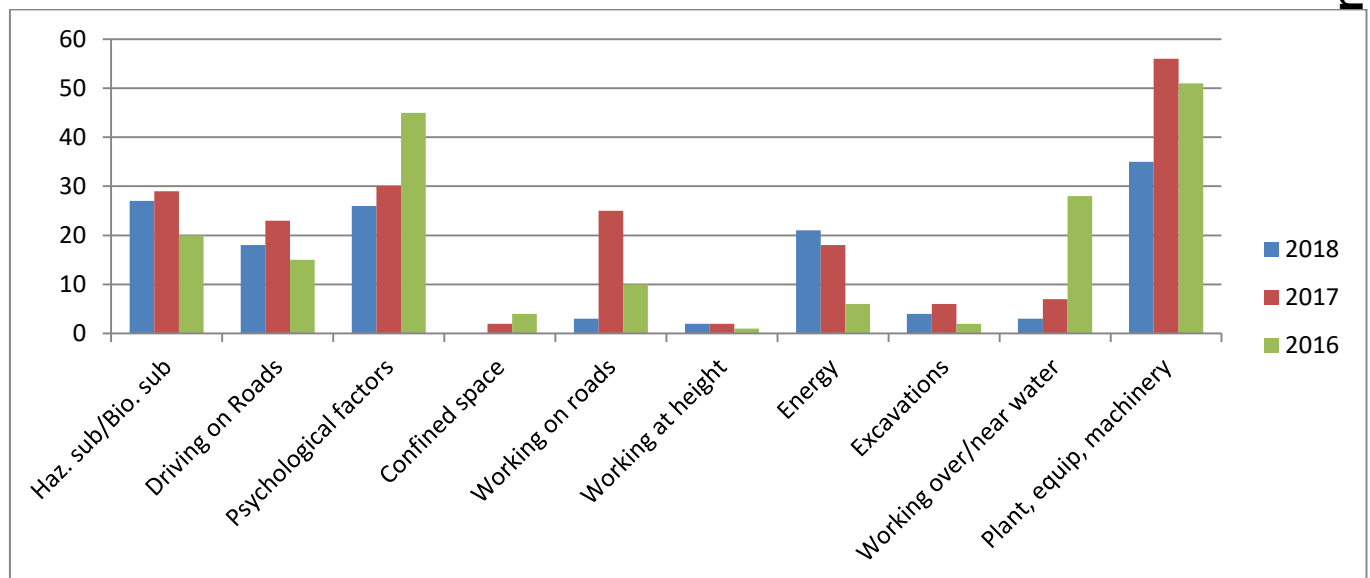
Breakdown of incidents by person type YTD



Frequently recurring issues



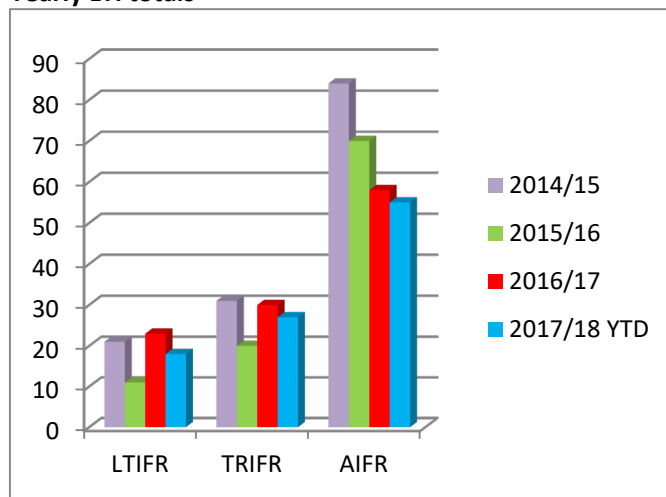
Incidents related to "Top 10 Hazards/Risks"



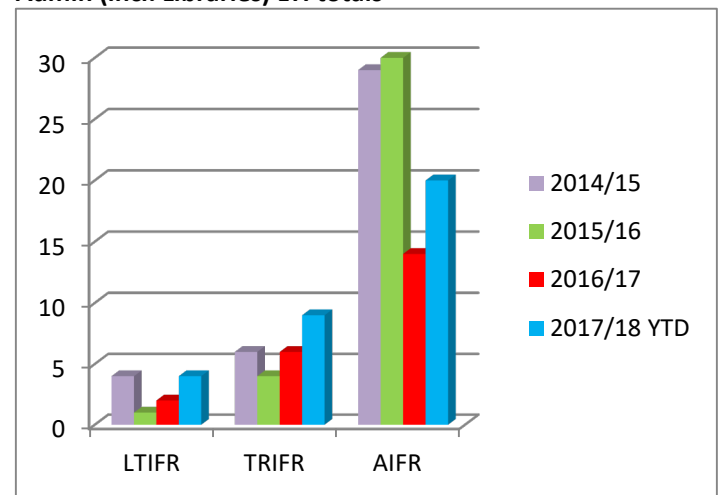
LTI statistics

LTIFR	Lost Time Injury Frequency Rate	Number of injuries that resulted in a day or more off, divided by number of hours worked over the same period x 200,000
TRIFR	Total Recordable Incident Frequency Rate	All injuries that required greater treatment than first aid (e.g. doctor, hospital, death). Calculated using same of injuries (as LTIFR) divided by the number of hours worked over the same period.
AIFR	All Injury Frequency Rate	This is the TRIFR with first aid treatment injuries added.

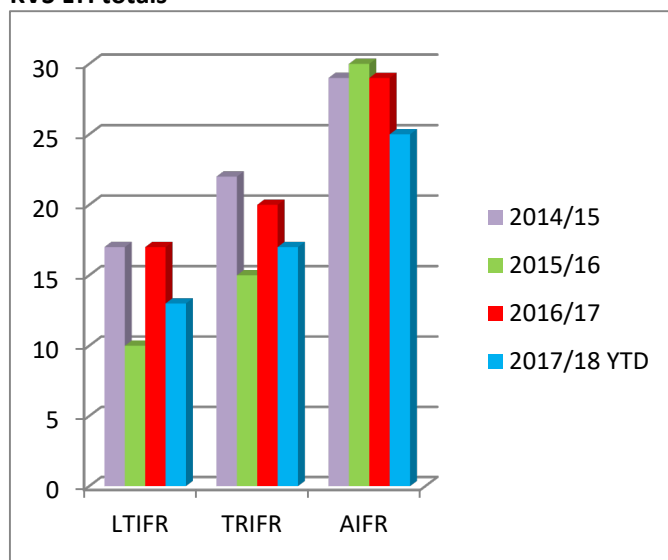
Yearly LTI totals



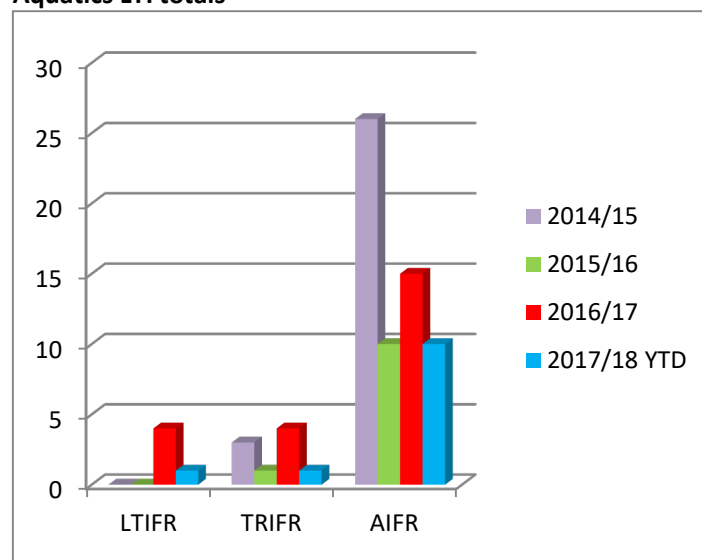
Admin (incl. Libraries) LTI totals



KVS LTI totals



Aquatics LTI totals



The cost of injuries to Council & ACC

Year	Total # of staff injuries	Total # resulting in costs to Council & amount	Total # resulting in costs to ACC & amount	# of on-going claims/injuries
2018/19 YTD	16	2 incidents \$1,025.00	3 incidents \$1,124.74	One
2017/18	55	14 incidents \$4,418.66	18 incidents \$61,502.65	One

Year	Total # of staff injuries	Total # resulting in costs to Council & amount	Total # resulting in costs to ACC & amount	# of on-going claims/injuries
2016/17	78	19 incidents \$10,395.00	14 incidents \$40,622.57	None
2015/16	72	16 incidents \$6,670.00	13 incidents \$54,006.72	None

Costs to Council may include:

- Medical referrals
- Salary "top-up" outside 80% paid by ACC
- Worker to cover role including salary, higher duty payments, advertising, recruitment
- Investigations – external investigator
- Modification or purchase of new plant, equipment, PPE

Monitoring relationships

Wellbeing initiatives

Nothing to report.

Volunteers

Nothing to report.

WorkSafe New Zealand

News release items are provided to members as they are received.

Internal worker engagement

Meeting attendance

# E-Team meetings where H&S was discussed	4	Key outcomes:	Recorded in minutes.
# H&S Committee meetings	1	Key outcomes:	Discussion on H&S Climate survey results and ideas for 2019 work plan.
# other H&S meetings conducted	0	Key outcomes:	
# HR / H&S Manager meetings	1	Key outcomes:	Recorded in Trello.
# KVS H&S meeting for team leaders & H&S Reps	2	Key outcomes:	Recorded in minutes
# REACH Rep meetings	0	Key outcomes:	Recorded in minutes.
# REACH Rep discussions with staff	1	Key outcomes:	Still underway

Refusal to undertake work

# incidences of "push-backs" (staff refusing to undertake unsafe work or stopping unsafe work)	0	Key outcomes:	
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External engagement

Forum	# attended	Key actions
Waikato LASS (6 weekly)	1	
Waikato/BOP Local Government H&S Forum (quarterly)	0	MPDC to host in February 2019
Waikato LG H&S Managers & WorkSafe NZ (6 weekly)	0	Next meeting in December 2018.
Meetings with ACC	0	
NZISM meetings	0	

Waikato LASS H&S Working Party projects

Project	Status	Comments
Reporting Indicators for Safety Performance	Underway	Framework to be approved by the LASS Board in December and benchmarking to commence in early 2019.
Health & Safety Committee TOR review	Completed	
Regional H&S Management Framework & Current Best Practice documents	Completed	14 Current Best Practice guides covering various topics.
Research opportunities for on-line contractor inductions	Not started	The H&S Manager is part of this working party.
Co-ordinate meeting between WorkSafe NZ & Council building inspectors	Underway	The H&S Manager is sorting this with WorkSafe NZ.
Audit of SHE Contractor pre-qualification scheme	Not started	Scheduled for March 2019.

Contractor Management

# unapproved contractors used	1	Fitzog
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Contractor auditing

# Contractor Site safety audits conducted	3	HEB Construction, First Klaas Pest Control, Centigrade
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Contractor inductions

# on-site contractor inductions completed and provided to H&S team	0		
# Council (2 yearly) Contractor inductions conducted by H&S team	0	# attendees	Next due in 2018

Pre-qualification scheme

The H&S Manager met with the new NZ Manager (Jean Ryan – formerly of Vault) and Company VP, David Foley. We discussed the outcome of our survey of contractors and our contractor evening. It was a very useful meeting and SHE will be providing an update to the LASS meeting on 21 November.

Celebrating success

Staff/contractors/volunteers celebrated for their actions to support good H&S	1	Fulton Hogan (Waihou) to receive the Spotlight on Safety Award at the COC meeting.
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Monitoring resourcing

Process management

# processes created in Promapp	17
# processes in Promapp overdue for review (primarily by the H&S team)	32
# corrective actions in Promapp Improvement Module not closed	0

# procedures in Promapp reviewed	22
# feedback in Promapp with no responses	11

Policy management

Nothing to report

Training

Training course	# identified	# completed	Key outcomes/commentary	Complete / Outstanding
Disability awareness workshop	20			Underway
First-aid Training	69	75	December training scheduled	Underway
Fire Warden & Extinguisher	30	23		Completed
Traffic Controller	14	17		Completed
Confined Space	4	4		Completed
STMS – Level 1	5	5		Completed
Customer Conflict Awareness including Suspicious Package/Bomb Threat	41	16	Rest will be scheduled in 2019	Completed
Electrical Testing	6	1	Rest will be scheduled in 2019	Completed
Chemical Handling	14			
Approved Handler (Chlorine only)	5			
Forklift Operators Certificate	1			Underway
Manual Handling	15	8	Rest will be scheduled in 2019	Completed
Height Safety Introduction	8	4	Rest will be scheduled in 2019	Completed
H&S Representative Training	11	15		Underway
SiteSafe – Construction	6			
Growsafe Basic Certificate	3	3		Completed
Working at Heights (Water/Wastewater Team)	10	8		Completed
Site Safe Foundation Passport - Civil	2	2		Completed

WorkSafe CEO Video	All	13		Underway
LifeCare Consultants "Cardiovascular Disease Webinar"	All	39		Underway
LifeCare Consultants "Hearing Webinar"	All	36		Underway
LifeCare Consultants "Lung Function Webinar"	All	32		Underway
LifeCare Consultants "Sun Smart & Hydration Webinar"	All	43		Underway
LifeCare Consultants "Poor Health = Risk Webinar"	All	41		Underway
LifeCare Consultants "Fatigue Webinar"	All	6		Underway

Vault Management System

Nothing to report.

Health & Safety Team 18/19 project plan

Underway

- Priority 1
 - Staff Occupational Health Policy & subsequent health monitoring set-up – COMPLETED.
 - Asbestos management – Asbestos Management plan requires expert review – UNDERWAY.
 - Solid waste contract issues – ON-GOING
- Priority 1 : Risk framework, Vault maintenance – UNDERWAY.
- Priority 2 : Lone worker– UNDERWAY.
- Priority 2 : Contractor management – UNDERWAY.
- Priority 3 : Worker engagement & participation – COMPLETED.

Draft Health & Safety Team 2019/20 work plan

- Priority 1
 - Fatigue Management Policy
 - Mental Health Strategy - UNDERWAY
 - HASNO – compliance to new Regulations
 - LASS Project – On-
- Priority 2
 - RFT for H&S training courses/providers
 - Drug & Alcohol Policy review
 - Lone worker - UNDERWAY
- Priority 3
 - Stress Policy review
 - Risk management – UNDERWAY

Officer (elected member) due diligence

Policy & Planning

1. **Keep up-to-date with health & safety matters**
 - NZ Herald article – Working long hours not good for our health or our career
 - WorkSafe NZ media release – Machine guarding standards still not met by too many companies
 - WorkSafe NZ media release – Damaged footpath led to elderly man's death
 - WorkSafe NZ media release – Builder in court after unlicensed and unsafe asbestos removal
 - WorkSafe NZ media release – Innovative grain silo pulley system takes out Richard Loe competition
 - WorkZSafe NZ – New guidance on precast concrete & respiratory protective equipment
 - ET Insider – November 2018
 - SafeTree – Talking topic cards
 - WorkSafe NZ media release – Worker suffers major brain trauma after scaffolding fall
 - Stuff article – Big fine for Carter Holt Harvey after worker struck in conveyor belt
2. **Understand the nature of our business and its hazards and risks**
 - Monthly report to Council

Delivery

3. **Ensure Council has appropriate resources and processes to eliminate or minimise risks to health and safety**
 - Audit information included in monthly report.
 - Staff training information included in monthly report.

Monitor

4. **Ensure there are appropriate reporting and investigation processes in place**
 - Accident/incident information included in monthly report.
 - Accident investigation status included in monthly report.
5. **Ensure we have and implement appropriate processes for complying with the Act – monitor & comply**
 - Audit information included in monthly report.
 - Council approved the reviewed Council H&S charter and discussed possible objectives for 2019.

Review

6. **Verify**

Executive Team

Due Diligence Plan for October 2018 : Manaia Te Wiata

APPENDIX A – 2018 H&S Objectives

2018 Health & Safety Objectives			
Objective	How achieved	Measured by	Status
Improving Contractor H&S management	<u>Auditing</u> <ul style="list-style-type: none"> Contract managers conduct safety audits of their contractors and provide completed reports to the H&S team. Third tier managers to monitor their teams to ensure audits are being conducted within required timeframes. 	5 large contracts and 5 smaller contractor jobs (works order) audited at the end of 2018 to check whether they: <ul style="list-style-type: none"> Completed a H&S Risk Assessment at the start Provided an appropriate induction for the contractor Had an appropriate plan for auditing the contractor and complied with it Completed a post contract review (where applicable) with a target of 50% compliance on each of those measures.	Audit scheduled to be completed in November 2018.
	<u>Inductions</u> <ul style="list-style-type: none"> Develop an induction system for providing Contractor inductions appropriate to the worksite and level of risk. 		
Improving safety collaboration	<ul style="list-style-type: none"> Increased H&S rep participation in risk register reviews and process audits. Review of the worker participation (H&S Rep/Committee) system and structure in line with new HSWA. 	<ul style="list-style-type: none"> H&S reps to complete at least two process audits in an area outside their area of work per year. H&S reps to complete at least one risk register review per year. Worker participation system meets requirements of regulations. H&S Committee meetings to be attended by at least 50% of H&S Reps. 	Audit schedule provided to H&S reps – 30 scheduled, 10 complete, 14 overdue Schedule provided to H&S reps – 14 scheduled, 6 complete Process is complete. February – 8/10 March – 11/15 May – 11/16 August – 9/13

	<ul style="list-style-type: none"> Develop system for providing sharing of learnings with staff on events, risks etc. Encouraging a “no blame” culture to ensure staff feel comfortable reporting incidents, risks etc without fear of ridicule or repercussions. Promote near miss reporting. 	<ul style="list-style-type: none"> Improved feedback in staff climate survey on the reporting back of issues raised: Q31 (<i>I believe the outcome of accident investigations is adequately communicated to those involved</i>) improvement in never & occasionally combined to less than 10%. 2016 results were 13%, 2017 results were 12.95% Management Group and Team Leaders to view the Dr Todd Conklin video about “failing safely”. “Failing Safely” and “no blame” culture to be regularly discussed at Management Group meetings. Information provided to H&S Committee on what “failing safely” means and seeking their suggestions on how we can support this and encourage engagement Health and safety section to be added to expected behaviours section of PDT forms. Improved feedback in staff climate survey on Q30 (<i>I report near misses</i>) never/occasionally to go down to no more than 10%. 2017 results were 12.14% 	<p>2016 results were 13% 2017 results were 12.95% 2018 results were 6.71% (ACHIEVED)</p> <p>H&S survey question added this year: “I feel comfortable (or safe) providing information about H&S issues” - 60.38% said yes.</p> <p>Scheduled for discussion at the November Management Group and H&S Committee meetings.</p> <p>PDT system is under review.</p> <p>2017 results were 12.14% 2018 results were 8.61% (ACHIEVED)</p>
Improving accessibility to H&S information	<ul style="list-style-type: none"> Promapp refresher training sessions conducted (relevant to sites). 	<ul style="list-style-type: none"> All staff to have access to Promapp and RM. (Requires consultation with Records/IT) and refresher Promapp sessions conducted throughout the year. Improved feedback in staff climate survey on accessibility of H&S information: Q4 (<i>H&S information is easy to find, communicated in a simple way</i>) ‘occasionally’ to go down to no more than 10%. 2016 results were 21.99%, 2017 results were 17.61% Q22 (<i>Safety processes are appropriate, logical and easy to follow</i>) 	<p>H&S survey question added this year and shows there are still a number of staff with no access. To be addressed with Records. Refresher Promapp sessions to be scheduled.</p> <p>2016 results were 21.99% 2017 results were 17.61% 2018 results were 14.10% (NOT ACHIEVED)</p> <p>2016 results were 10.71%</p>

Corporate and Operations Committee
27 February 2019



	<ul style="list-style-type: none"> Information on risks specific to each team to be provided to team members. 	<p>'occasionally' to go down to no more than 7%. 2016 results were 10.71%, 2017 results were 11.35%</p> <ul style="list-style-type: none"> Teams to identify their high risk areas of work/tasks where this has not already been done (i.e. site hazard registers). (Requires consultation with teams and is expected to take some time to complete). 	<p>2017 results were 11.35% 2018 results were 14.10% (NOT ACHIEVED)</p> <p>Not started and likely needing to be re-scheduled to 2019.</p>
<p>Improving health and wellbeing (improve general health, stress and bullying reduction)</p>	<ul style="list-style-type: none"> Develop guidelines for fatigue management and provide education to relevant staff. Review stress management policy to provide more user friendly staff guide. Develop an "unacceptable workplace behaviours" poster and associated education to encourage a reduction of bullying. Promote health and wellbeing. 	<ul style="list-style-type: none"> New guidance on fatigue published by October 2018 and training provided. New guidance on stress management published by May 2017 and training provided. Improved feedback in staff climate survey on Q37 ('Do you feel the demands placed on you at work are generally more than you are able to cope with?') always/often responses to go down to no more than 15%. 2016 results were 20%, 2017 results were 18.44% Improved feedback in staff climate survey on Q38 ('Have you experienced negative work related stress in the last 12 months?') always/often responses to go down to no more than 20%. 2016 results were 25%, 2017 results were 20.71% H&S Committee to drive this initiative by seeking feedback in the Bulletin and then preparing a draft document for E-Team approval. Run two campaigns during the year on health and wellbeing topics such as healthy eating, exercise, sun smart (melanoma), work/life balance etc. 	<p>Not started and likely needing to be re-scheduled to 2019.</p> <p>Not started and likely needing to be re-scheduled to 2019. A separate stress survey will be put to staff before Christmas 2018.</p> <p>2016 results were 20% 2017 results were 18.44% (to be part of separate survey)</p> <p>2016 results were 25% 2017 results were 20.71% (to be part of separate survey)</p> <p>Complete.</p>



Health & Safety Report – December 2018/January 2019

Introduction

The team held their annual planning day and reflected on the objectives and projects for 2018. The status of the objectives are included in Appendix A. The 2019 objectives are currently being finalised.

The staff bullying survey has closed and a plan for options going forward will be prepared.

All staff were provided with a bag of goodies and health & safety related brochures prior to Christmas as an initiative from the H&S team – this was very well received.



Incidents of interest for the two months included:

- While cutting a hatch into a confined space area of a clear water tank a cable that was encased in concrete was cut. The power tripped out. Work was stopped until an electrical contractor could relocate the cable to an overhead location.
- Refuse in a building at the Matamata RTS was water damaged and the smell was quite bad. The site was closed to the public and rectified.
- Vehicle lost traction on a farm field and was subsequently found to have insufficient tread. Issue has been rectified.
- Member of the public backed into traffic signs with her vehicle. Minor damage.
- Tree fell into gully breaking a sewer pipe. This occurred in the evening and due to daylight hours, site access, pipe condition etc the work was put off until the following day. Great result.
- Gyrocopter crashed soon after take off at Matamata Aerodrome. Pilot had minor injuries from crash but strained his back trying to move the aircraft.
- Two incidents of after hours noise control contractors being assaulted. Incidents investigated with the contractor.
- Contractor strained his back trying to move security cages from around the Te Aroha office generator.
- Member of the public assaulted at SwimZone Matamata.
- Two incidents of staff working excessive hours. This has been discussed with the E-Team who have meet with the teams involved.
- Te Aroha Office broken into and various items stolen. Given this is not the first time this has happened, the psychological toll this has on staff should not be under estimated.
- Staff member identified to be talking on their mobile phone while driving – currently being investigated.
- Members of the public swimming in the water dam at Waterworks Road. Signage around the tower is to be erected as there are underwater hazards that make this area dangerous for swimming/diving.

- Concern raised about staff working outside in the sun without shelter. This is currently being investigated.
- Aircraft involved in Walsh Memorial Scout Flying School crashed on landing. No injuries and the event organiser and CAA have investigated.

Annual Key Objectives

The outcome of our 2018 objectives is included at the back of this report as Appendix A.
The 2019 objectives are currently being finalised.

Monitoring risk

Risk Management

Hazard/Risk tracking

# new risks identified	11	Noise Control Officers – risk of aggressive behaviour from public; Kerbside refuse and recycling collection; Te Aroha Domain Shed (7), Variable office temperature Matamata Civic Centre.
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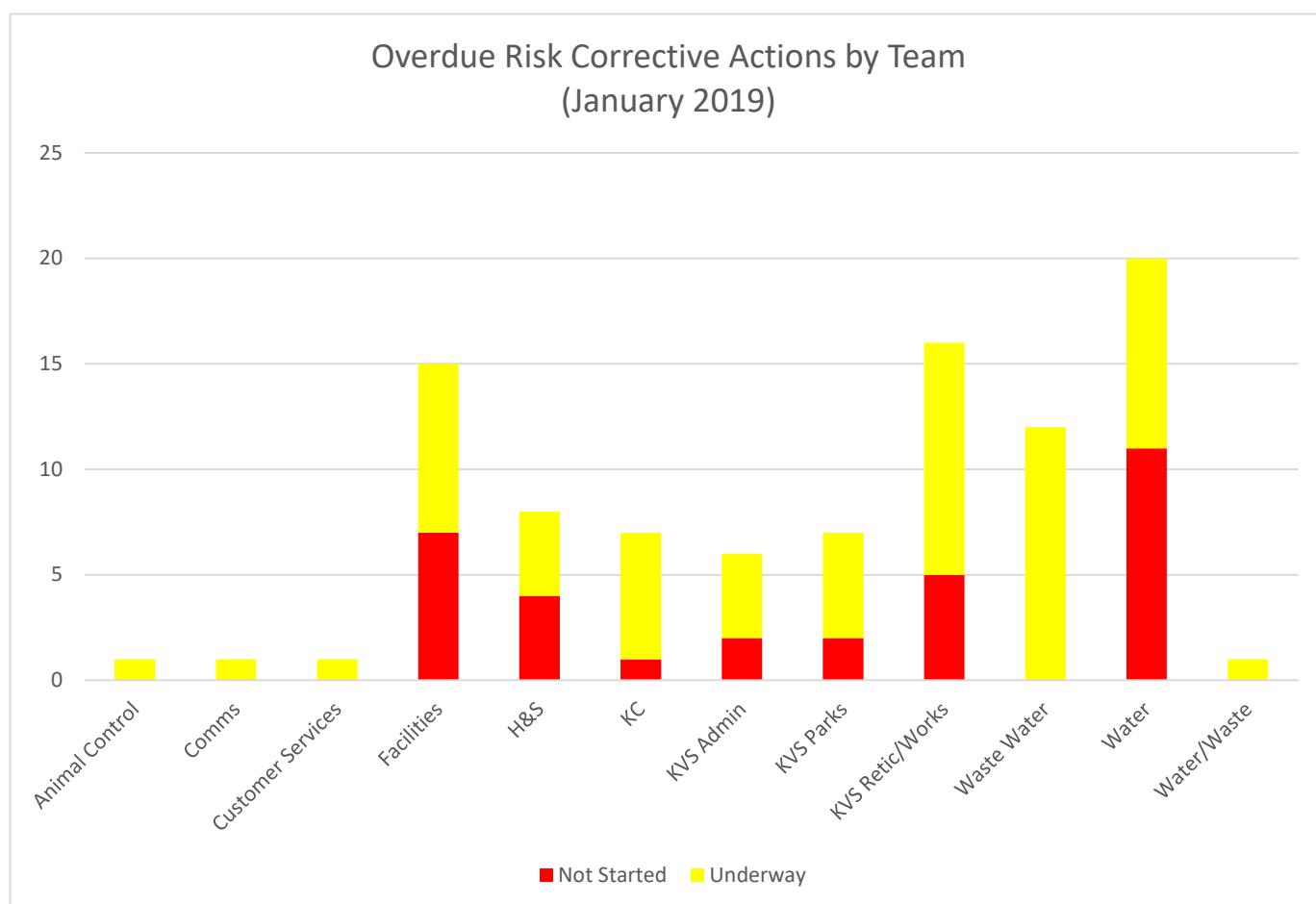
# existing risks reviewed	Dec: 40 Jan: 47	# existing risks overdue for review	Dec: 24 Jan: 10
# risk control (CA's) completed	Dec: 22 Jan: 59	# risk control (CA's) overdue 15+ days**	Dec: 110 Jan: 95

** Explanation of risk control CA's

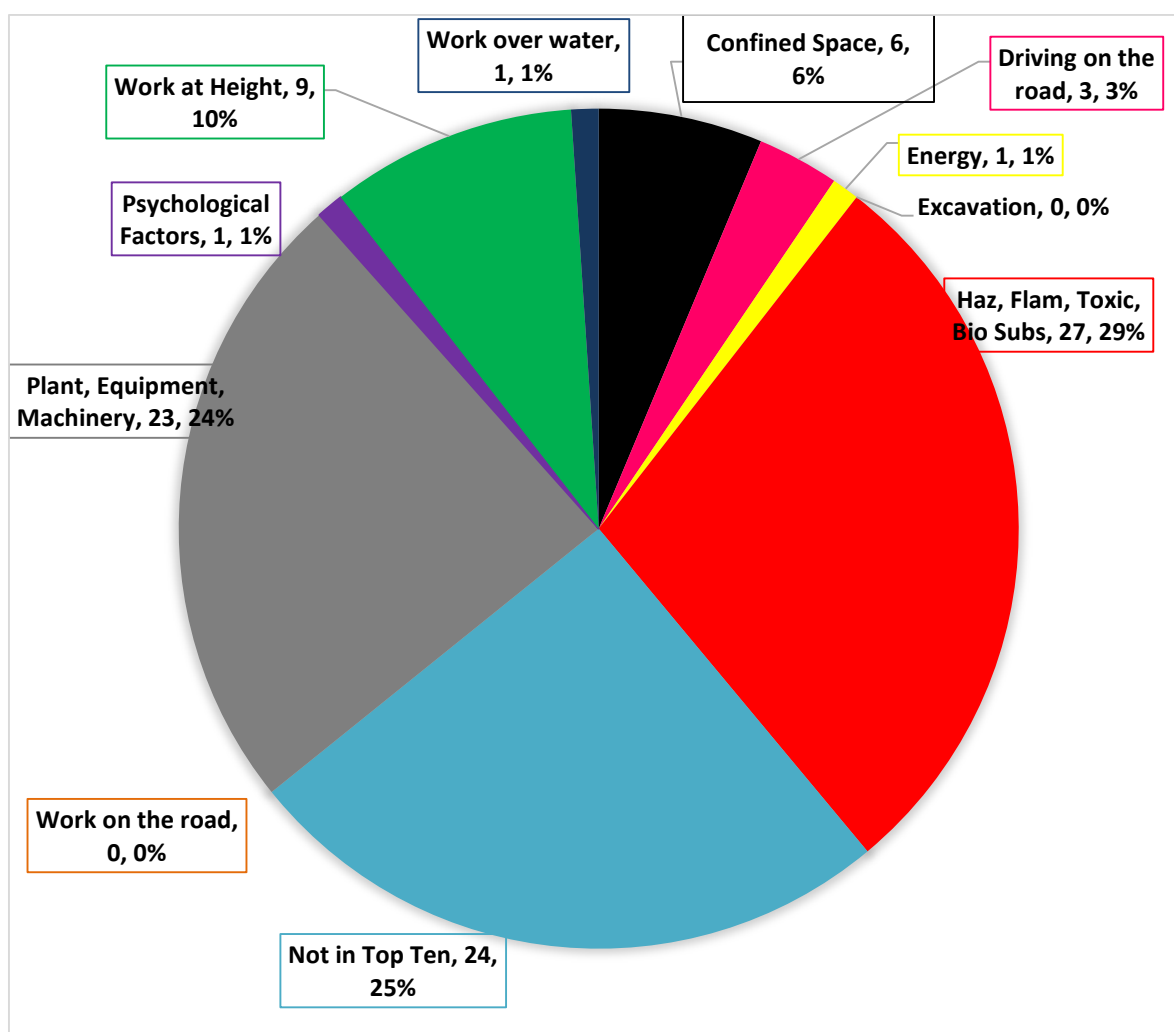
During a risk review corrective controls are identified. These are then loaded into Vault and allocated to the appropriate staff member to action. A timeframe is placed on the CA for completion. These controls are therefore 15+ days over the timeframe placed for completion. This figure does not differentiate between high and low risks.

The two graphs below explain

1. the number of corrective actions (CA's) overdue by team and whether they are "Underway" or "Not Started".
2. which of our "Top 10" risk categories the CA's fall into.





Overdue Risk Corrective actions by category



Note: Hazardous substances category includes silica dust, asbestos and waste water.

Council's organisation wide "Top 10 critical risks / significant hazards" categories

RISK / HAZARD	ACTION TAKEN
	<ul style="list-style-type: none"> Smell of rotting rubbish in building at Matamata refuse transfer station due to building flooding. Tree fell onto sewer pipe, breaking it and causing sewage to enter waterway.
	<ul style="list-style-type: none"> Two vehicles at KVS collided – minor damage. Vehicle lost traction – was identified to have insufficient tread. Pool vehicles on fortnightly maintenance checks. Trailer backed into another KVS truck bumper. Staff member talking on mobile phone while driving.

	<ul style="list-style-type: none"> Two incidents of abusive members of the public at our pools. Cr Cronin advised our noise control contractor was assaulted. Has been investigated with Company. In a separate incident, a noise control officer was assaulted. Review of safety management with company undertaken. Two instances of excessive work hours by staff. Break-in at Te Aroha Office.
	<ul style="list-style-type: none"> Audit of permit register conducted and recommendations made.
	<ul style="list-style-type: none"> Member of the public hit road signs that were part of the gardening team traffic management.
	<ul style="list-style-type: none"> Audit of permit register conducted and recommendations made.
	<ul style="list-style-type: none"> Frequent pool closures due to thunder and lightning. Contractor cut an electrical cable while cutting a hatch in a confined space. Concerns for staff working outdoors in extreme heat.
	
	<ul style="list-style-type: none"> Five pool rescues Public swimming, diving in areas of Morrinsville Water dam that are deemed unsafe.
	<ul style="list-style-type: none"> Gyrocopter crashed at Matamata Aerodrome. Pilot released with minor injuries. Cage around server room air-conditioning unit at Te Aroha replaced after contractor reported injury trying to remove it. Light plane crash at Matamata Aerodrome. No injuries.

Lone Work: work continues on review and improvement of management of lone worker safety. A range of lone worker devices was reviewed by the working party in January, with selection of some devices for further trialling to be arranged in February.

Staff inductions

# staff inductions completed	Dec:6	# staff inductions outstanding	Dec:1
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Refresher inductions: Annual refresher inductions commenced in December: 16 work groups have completed inductions. The following groups are **overdue** for completion: Building Control, Animal Control, Communications, E-team, Firth Tower, Information Technology, Kaimai Consultants, Matamata Library, Property Maintenance, Spas, Waste Water, Water, KVS Retic/Works, Customer Services Matamata and Morrinsville.

Procurement

# procurement assessments completed	7	Generator; Carpentry equipment (6)
# procurement assessments outstanding	1	Trailer for walker mowers

Plant, equipment & machinery

# incidents / near misses where plant/equipment design is a contributing factor	1	Cage around server room air-conditioning unit at Te Aroha replaced after contractor reported injury trying to remove it.
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Review & Audits

# internal audits conducted	2	Audit of contractor Management; Audit of Permit Register
# internal audits outstanding*	13	We continue to struggle with H&S Reps finding sufficient time to complete their allocated H&S audits and risk register reviews. Their participation in our H&S management is crucial and very much part of the requirements of the HSAW Act. KPMG will be discussing high level auditing with the Executive & H&S/Quality Manager in February and following this discussion a decision will be made on what areas H&S Reps should focus on.
# external audits conducted	0	

Emergency Management

Emergency Response Plan testing

Emergency Response Plans (ERP) still to be written	4	Waste Water plants.
Emergency Response Plans (ERP) tested by due date	0	None scheduled.
Emergency Response Plans (ERP) test overdue	1	Matamata Water Treatment Plant is overdue – This has been discussed with Matamata Fire Brigade and will be held on 25 February 2019.

Building Trial Evacuations

Trial evacuations completed on time	1	Matamata Civic Centre. There was also a fire call to the Te Aroha Office so a live evacuation was conducted.
Trial evacuations overdue	10	Te Aroha Event Centre, AR Johns Building, Westpac Event Centre, Waste Water Treatment Plants (x5), Water Treatment Plants (x2) These have been discussed with the relevant staff.
Trial evacuations completed for Council halls	5	Hoe-o-Tainui Hall, Manawaru Hall, Tatuani Hall, Kereone Hall, Pairere Hall
Trial evacuations/training programmes overdue for Council halls	5	Hinuera Hall, Springdale Hall, Elstow Hall, Mangateparu Hall, Walton Hall

Emergency Equipment checks

# equipment checks conducted	1	First aid kits: review of system for checking first aid kits and update of process is underway.
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Staff health / monitoring

Health monitoring conducted

Summary of testing provided	Number completed	Issues or referrals to another health professional
Annual/repeat health monitoring	13	
Pre-employment testing	4	
Exit medical screening		
Wellness (voluntary)	4	
Workstation Assessments		
Health promotion/tool box talks		
Vaccinations	3	
Bloods	4	
Respirator fit tests conducted		
Asbestos surveillance chest x-rays		

Health monitoring declined

None.

Drug testing

# pre-employment drug tests	4	No issues.
# post incident drug tests conducted	0	
# reasonable cause drug tests	0	
# random drug tests conducted	0	

Return to work (RTW) programmes

# work related RTW programmes	0	
# pending work related RTW programmes	3	
# pending non-work related RTW programmes	2	

Site safety audits (non-Contractor sites)

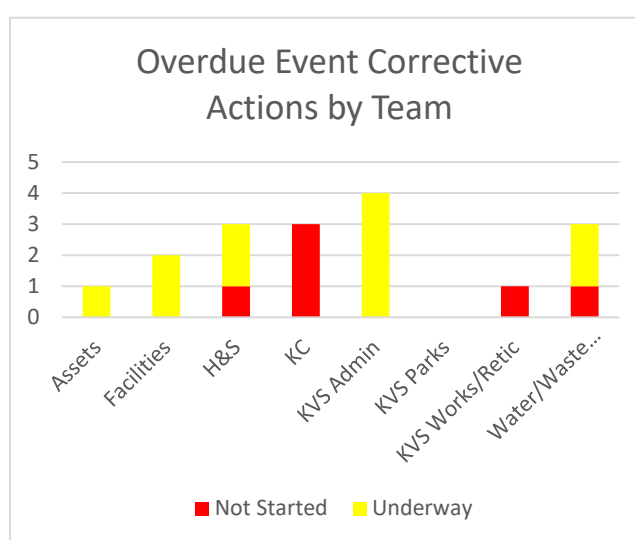
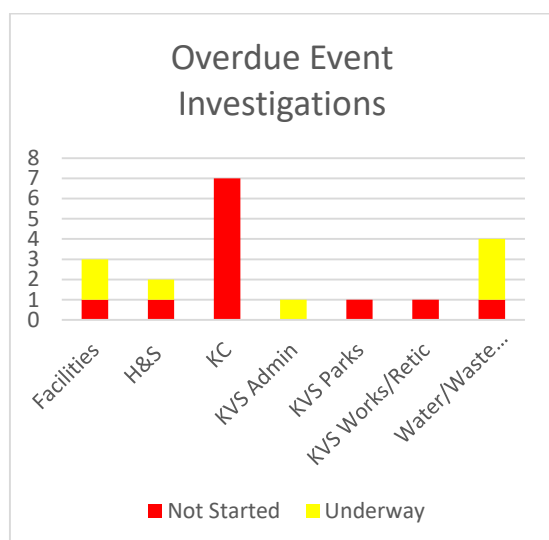
# audits conducted	1	Dog Pound
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Events (Accident / Incidents)

# incidents for period	Dec: 47 Jan: 44
# of LTI's	1

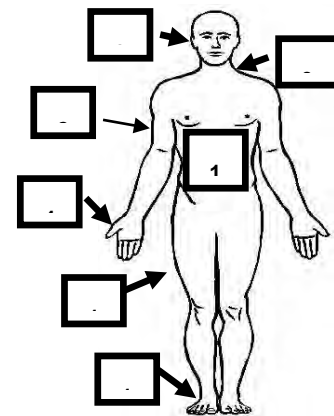
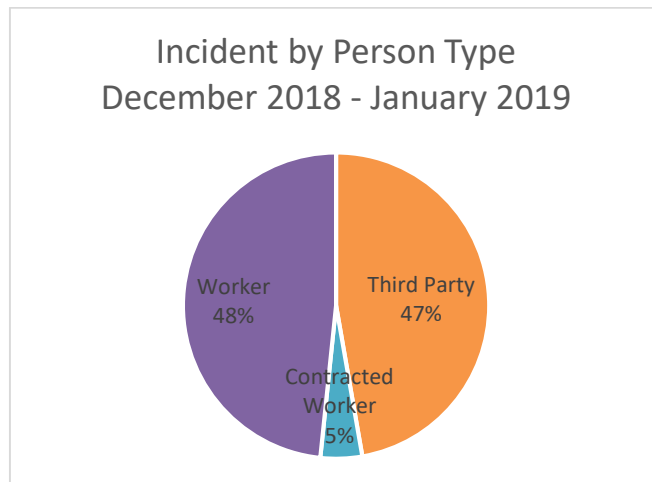
# incidents notifiable to WorkSafe	0
# ACC claims	1

Investigations not completed by due date*	Dec:24 Jan: 19
Incident Corrective actions not completed by due date^	Dec:26 Jan: 17



^ Accident/event corrective actions overdue by more than 15 days

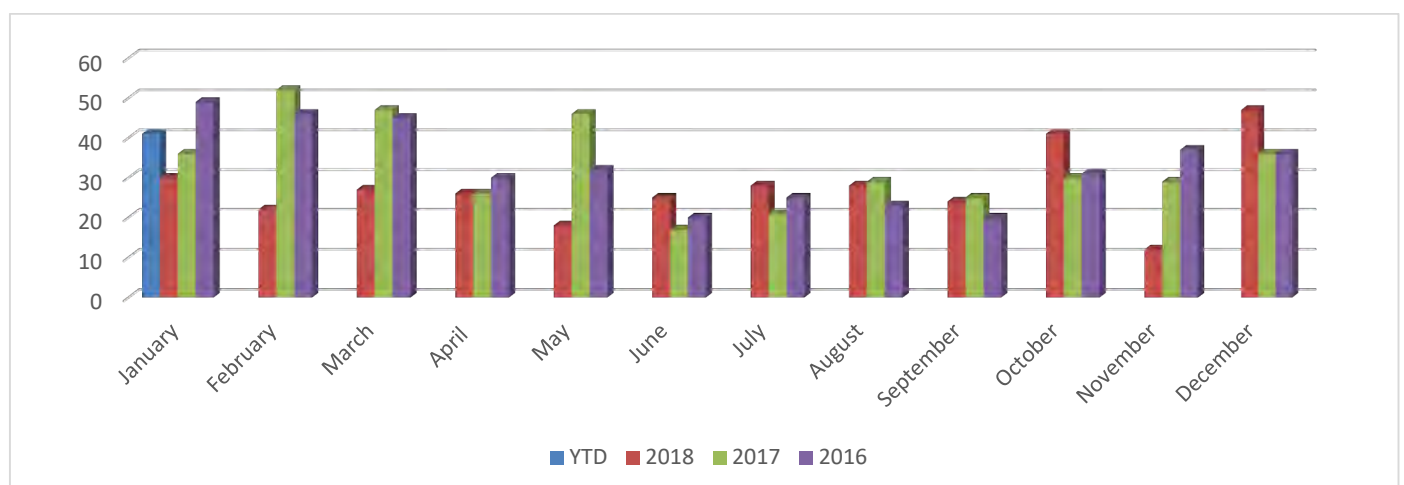
Staff injury by body location:



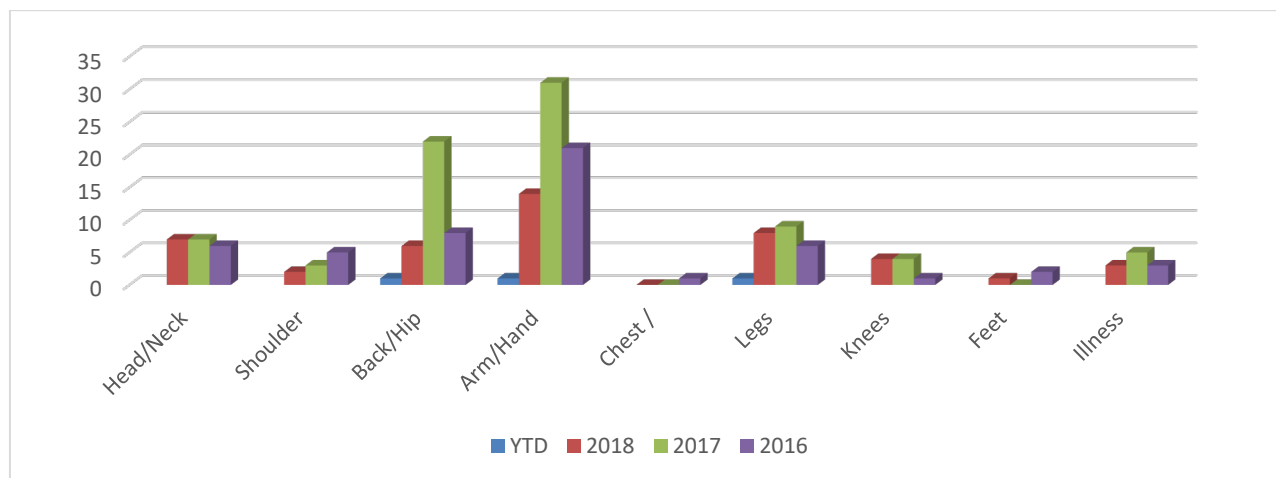
Location of incidents

Firth Tower	Dec: 4 Jan: 0	MM Library/ Office	Dec: 2 Jan:1	SwimZone MM	Dec: 8 Jan:4	SwimZone MV	Dec: 18 Jan:7	SwimZone TA	Dec:5 Jan:10
KVS Depot	Dec:2 Jan:1	Te Aroha Office	Dec: 1 Jan:3	Water Treatment	Dec:1 Jan:4	Off Site	Dec: 6 Jan:6	Refuse Transfer Stations	Dec:1 Jan:0
Aerodrome	Dec: 1 Jan:1	Cemetery	Dec: 1 Jan:0	MV Office/ Library	Dec: Jan:4	Three Waters	Dec: Jan:1		

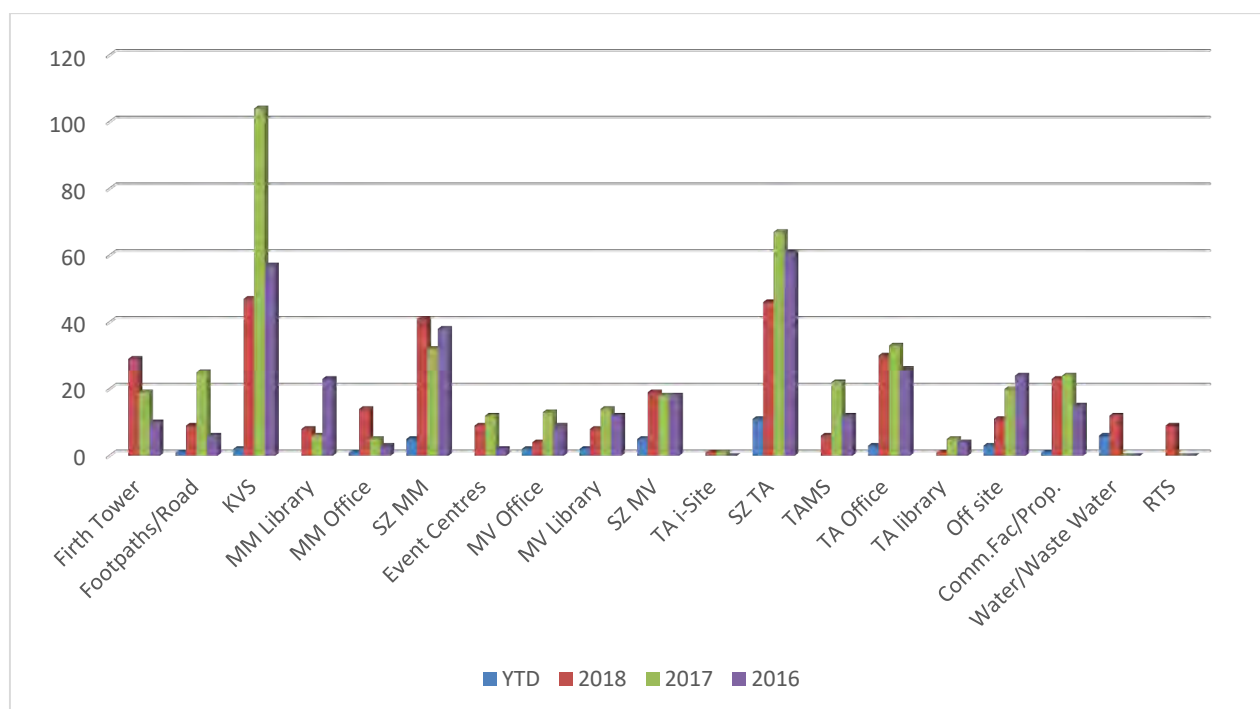
Total Incidents by month



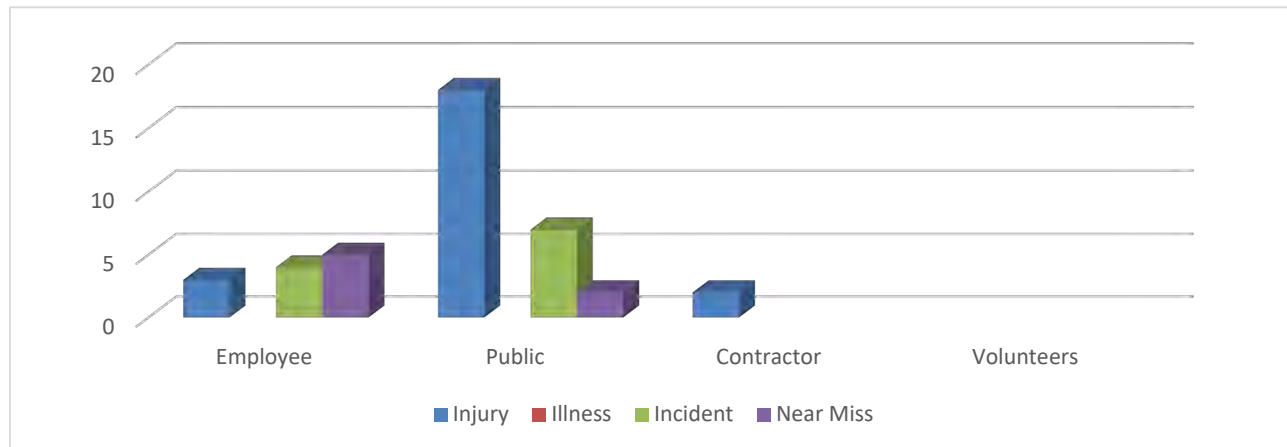
Staff incidents by body location



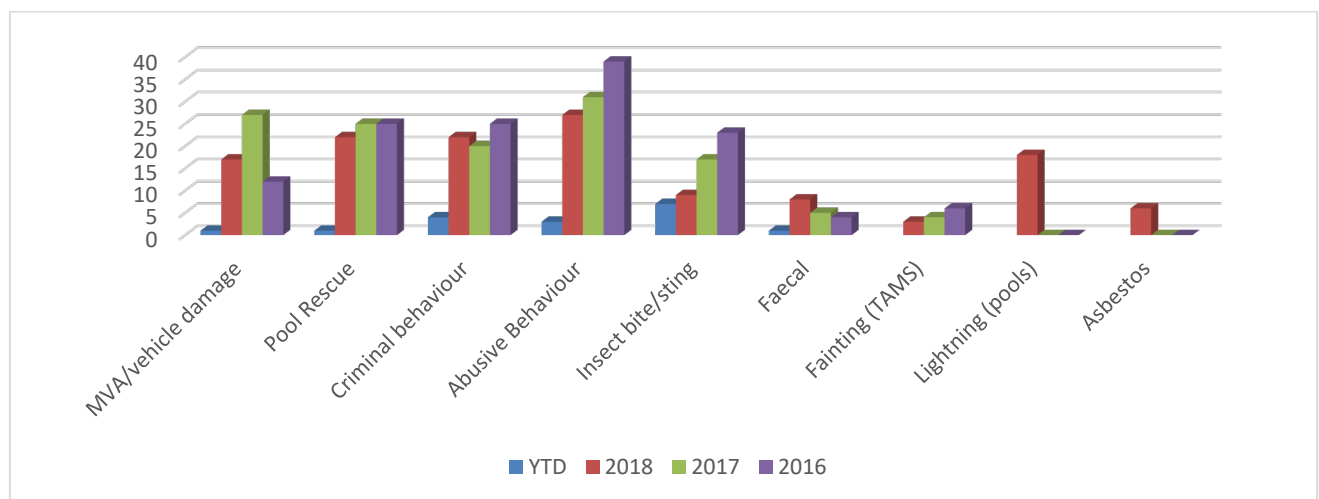
Breakdown of incidents by site



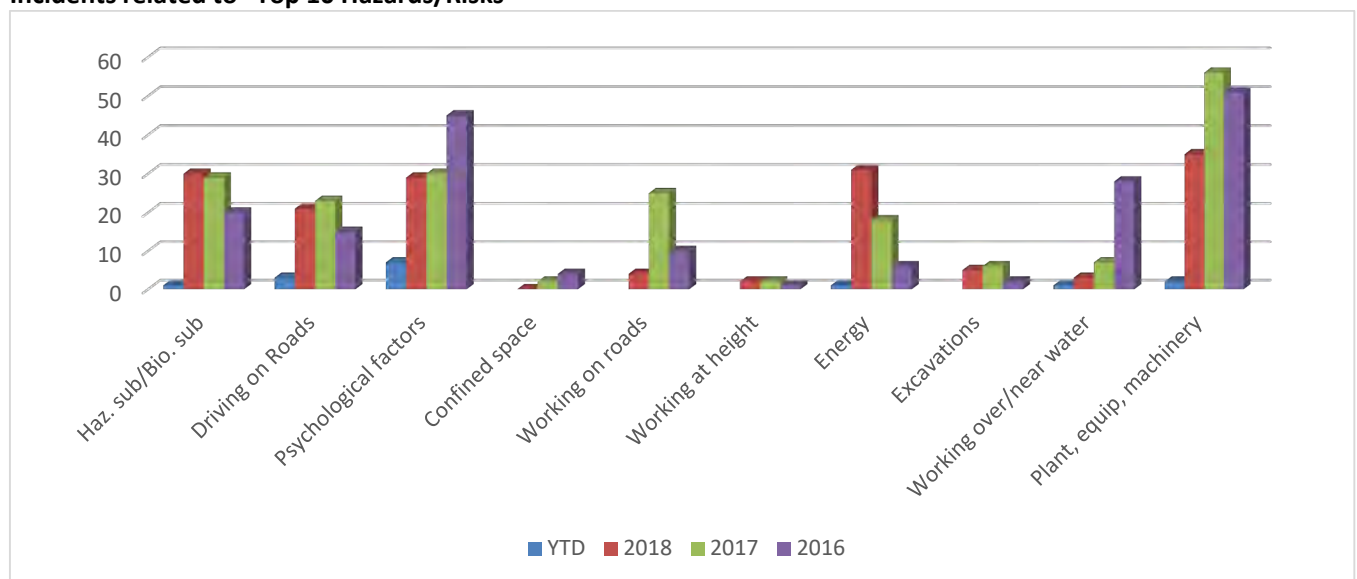
Breakdown of incidents by person type YTD



Frequently recurring issues



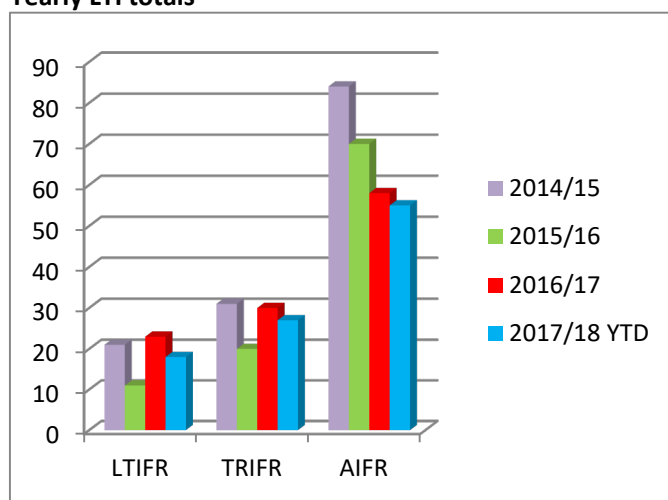
Incidents related to "Top 10 Hazards/Risks"



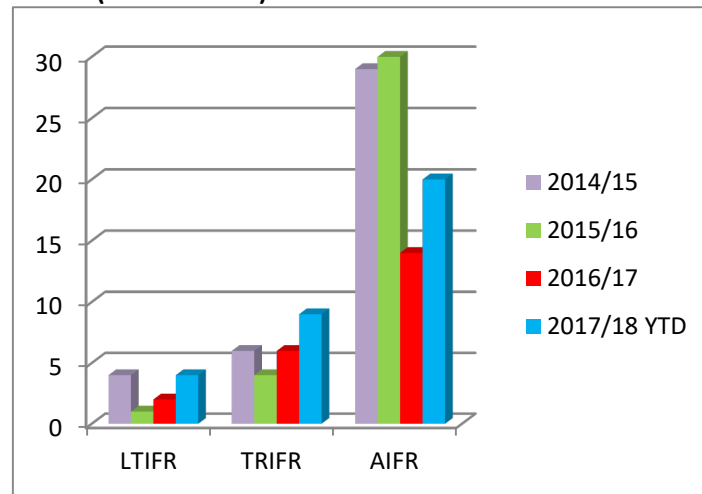
LTI statistics

LTIFR	Lost Time Injury Frequency Rate	Number of injuries that resulted in a day or more off, divided by number of hours worked over the same period x 200,000
TRIFR	Total Recordable Incident Frequency Rate	All injuries that required greater treatment than first aid (e.g. doctor, hospital, death). Calculated using same of injuries (as LTIFR) divided by the number of hours worked over the same period.
AIFR	All Injury Frequency Rate	This is the TRIFR with first aid treatment injuries added.

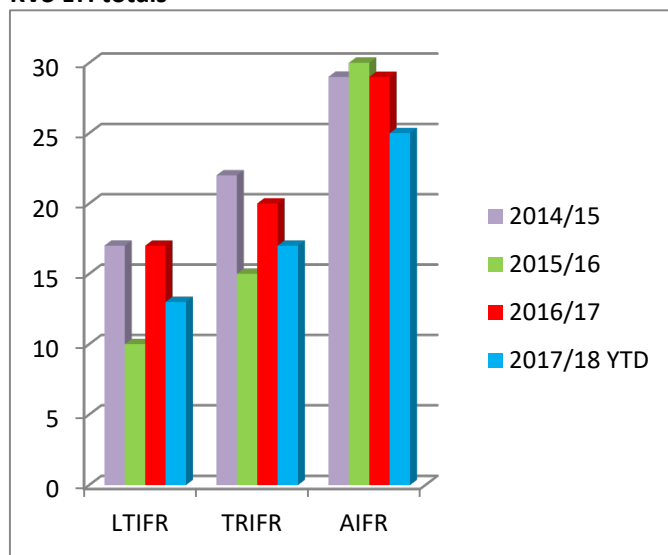
Yearly LTI totals



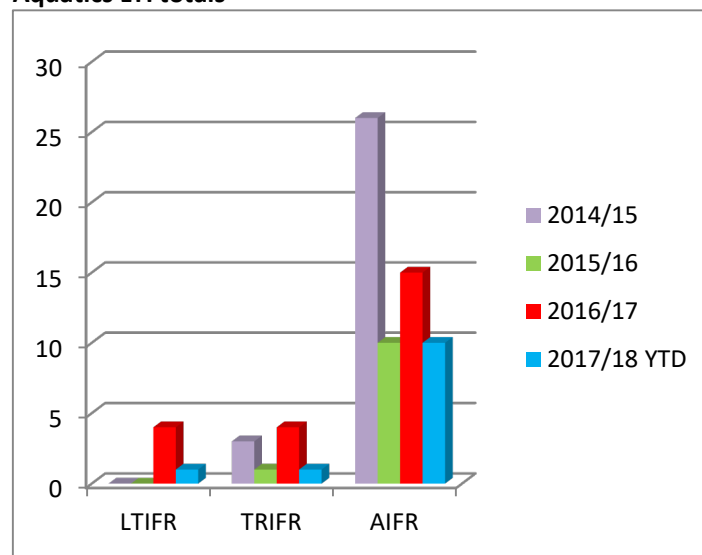
Admin (incl. Libraries) LTI totals



KVS LTI totals



Aquatics LTI totals



The cost of injuries to Council & ACC

Year	Total # of staff injuries	Total # resulting in costs to Council & amount	Total # resulting in costs to ACC & amount	# of on-going claims/injuries
2018/19 YTD	16	2 incidents \$1,025.00	3 incidents \$1,124.74	One
2017/18	55	14 incidents \$4,418.66	18 incidents \$61,502.65	One

Year	Total # of staff injuries	Total # resulting in costs to Council & amount	Total # resulting in costs to ACC & amount	# of on-going claims/injuries
2016/17	78	19 incidents \$10,395.00	14 incidents \$40,622.57	None
2015/16	72	16 incidents \$6,670.00	13 incidents \$54,006.72	None

Costs to Council may include:

- Medical referrals
- Salary “top-up” outside 80% paid by ACC
- Worker to cover role including salary, higher duty payments, advertising, recruitment
- Investigations – external investigator
- Modification or purchase of new plant, equipment, PPE

Monitoring relationships

Wellbeing initiatives

Nothing to report.

Volunteers

A formal learning team debrief was held to discuss issues around work undertaken by a community group in the Te Aroha community garden. A report has been prepared and referred to the E-team for consideration.

WorkSafe New Zealand

News release items are provided to Councillors, E-Team, Managers and relevant staff as they are received.

Internal worker engagement

Meeting attendance

# E-Team meetings where H&S was discussed	6	Key outcomes:	Recorded in minutes.
# H&S Committee meetings	0	Key outcomes:	Discussion on H&S Climate survey results and ideas for 2019 work plan.
# other H&S meetings conducted	5	Key outcomes:	
# HR / H&S Manager meetings	3	Key outcomes:	Recorded in Trello.
# KVS H&S meeting for team leaders & H&S Reps	0	Key outcomes:	Recorded in minutes
# REACH Rep meetings	1	Key outcomes:	Recorded in minutes.
# REACH Rep discussions with staff	1	Key outcomes:	Still underway

Refusal to undertake work

# incidences of “push-backs” (staff refusing to undertake unsafe work or stopping unsafe work)	1	Key outcomes:	Work on sewer leak in steep gully delayed until daylight and appropriate height access equipment sourced.
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External engagement

Forum	# attended	Key actions
Waikato LASS (6 weekly)	1	
Waikato/BOP Local Government H&S Forum (quarterly)	0	MPDC to host in April 2019
Waikato LG H&S Managers & WorkSafe NZ (6 weekly)	1	
Meetings with ACC	0	
NZISM meetings	0	

Waikato LASS H&S Working Party projects

Project	Status	Comments
Reporting Indicators for Safety Performance	Underway	Framework to be approved by the LASS Board in December and benchmarking to commence in early 2019.
Research opportunities for on-line contractor inductions	Underway	
Co-ordinate meeting between WorkSafe NZ & Council building inspectors	Underway	The H&S Manager is sorting this with WorkSafe NZ.
Audit of SHE Contractor pre-qualification scheme	Not started	Scheduled for March 2019.

Contractor Management

# unapproved contractors used	0
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Discussion with a consultant about sessions to assist our contractors with their Contractor H&S Pre-qualification applications – SHE scheme. These sessions will be held in March 2019.

Contractor auditing

# Contractor Site safety audits conducted	5	Refresh Cleaning, Smart Environmental (3 Refuse Transfer Stations, 1 Kerbside Collection)
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Contractor inductions

# on-site contractor inductions completed and provided to H&S team	1		
# Council (2 yearly) Contractor inductions conducted by H&S team	0	# attendees	OVERDUE

Celebrating success

Staff/contractors/volunteers celebrated for their actions to support good H&S	1	Fulton Hogan received Council's Spotlight on Safety award and held a breakfast with their staff to celebrate.
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Monitoring resourcing

Process management

# processes created in Promapp	Dec: 0 Jan: 0	# procedures in Promapp reviewed	Dec: 24 Jan: 23
# processes in Promapp overdue for review (primarily by the H&S team)	Dec: 20 Jan: 12	# feedback in Promapp with no responses	Dec: 13 Jan: 5
# corrective actions in Promapp Improvement Module not closed	Dec: 0 Jan: 0		

Policy management

Nothing to report

Training

Training course	# completed	Key outcomes/commentary
First-aid Training	8	Scheduled for February
STMS – Level 1	1	
H&S Representative Initial	2	

STMS Refresher		Scheduled for February
TC – New		Scheduled for February
Fire Warden & Extinguisher		Scheduled for May, June & July

Vault Management System

Nothing to report.

2019 Health & Safety Team work plan

- Priority 1
 - Fatigue Management Policy UNDERWAY
 - Health monitoring programme UNDERWAY
 - Mental Health Strategy UNDERWAY
 - HASNO – compliance to new Regulations UNDERWAY
- Priority 2
 - RFT for H&S training courses/providers
 - Drug & Alcohol Policy review
 - Lone worker UNDERWAY
- Priority 3
 - Risk management UNDERWAY

Officer (elected member) due diligence

Policy & Planning

1. Keep up-to-date with health & safety matters

- WorkSafe NZ media release – worker injured by falling transmission tower
- Alert24 notice – serious injuries increase for construction, horticulture & agriculture industries
- Alert24 notice – study looks into high suicide rate in construction industry
- Alert24 notice – construction worker dies in workplace accident
- Alert24 notice – WorkSafe NZ v E S Plastics Limited
- Alert24 notice – man killed by bull in North Canterbury
- Alert24 notice – insulation company ordered to pay fine and reparation after worker crushed by large block of polystyrene
- Alert24 notice – WorkSafe NZ v Stevens and Stevens Limited
- Alert24 notice – OECD suggests extending ACC system to assist mentally ill people in workplace
- Alert24 notice – Tongan man and family granted residency after workplace accident requiring extensive surgery
- WorkSafe NZ media release – company sentenced after worker injured back in fall
- WorkSafe NZ media release – worker crushed by container swinglift
- WorkSafe NZ – Government Health and Safety at Work Strategy

2. **Understand the nature of our business and its hazards and risks**
- Monthly report to Council

Delivery

3. **Ensure Council has appropriate resources and processes to eliminate or minimise risks to health and safety**
- Audit information included in monthly report.
 - Staff training information included in monthly report.

Monitor

4. **Ensure there are appropriate reporting and investigation processes in place**
- Accident/incident information included in monthly report.
 - Accident investigation status included in monthly report.
5. **Ensure we have and implement appropriate processes for complying with the Act – monitor & comply**
- Audit information included in monthly report.

Review

6. **Verify**

Executive Team

Due Diligence Plan – December & January Don McLeod

APPENDIX A – 2018 H&S Objectives

Item 6.3

Attachment B

2018 Health & Safety Objectives			
Objective	How achieved	Measured by	Status
Improving Contractor H&S management	<p><u>Auditing</u></p> <ul style="list-style-type: none"> Contract managers conduct safety audits of their contractors and provide completed reports to the H&S team. Third tier managers to monitor their teams to ensure audits are being conducted within required timeframes. <p><u>Inductions</u></p> <ul style="list-style-type: none"> Develop an induction system for providing Contractor inductions appropriate to the worksite and level of risk. 	<p>5 large contracts and 5 smaller contractor jobs (works order) audited at the end of 2018 to check whether they:</p> <ul style="list-style-type: none"> Completed a H&S Risk Assessment at the start Provided an appropriate induction for the contractor Had an appropriate plan for auditing the contractor and complied with it Completed a post contract review (where applicable) with a target of 50% compliance on each of those measures. <p>Contractor induction system prepared and ready for launch in 2018.</p>	<p>Audit of 11 contracts: Note that some of the contracts commenced several years ago and there have been changes to the contractor management system since then.</p> <ul style="list-style-type: none"> Completed a H&S Risk Assessment at the start (pre-tender): 1/6 Provided an appropriate induction for the contract: 2/11. Had an appropriate plan for auditing the contractor: 2/11, and 5/11 (had completed at least one audit). Completed a post contract review (where applicable) 1/4. <p>(NOT ACHIEVED) Recommendations to be presented to E-team in February.</p> <p>Site specific induction form launched for high risk sites. Training provided for contract managers in planning for contractor H&S management.</p>
Improving safety collaboration	<ul style="list-style-type: none"> Increased H&S rep participation in risk register reviews and process audits. 	<ul style="list-style-type: none"> H&S reps to complete at least two process audits in an area outside their area of work per year. 	<p>Audit schedule provided to H&S reps – 30 scheduled, 10 complete, 14 overdue</p>

Corporate and Operations Committee
27 February 2019



	<ul style="list-style-type: none"> Review of the worker participation (H&S Rep/Committee) system and structure in line with new HSWA. Develop system for providing sharing of learnings with staff on events, risks etc. Encouraging a “no blame” culture to ensure staff feel comfortable reporting incidents, risks etc without fear of ridicule or repercussions. Promote near miss reporting. 	<ul style="list-style-type: none"> H&S reps to complete at least one risk register review per year. Worker participation system meets requirements of regulations. H&S Committee meetings to be attended by at least 50% of H&S Reps. Improved feedback in staff climate survey on the reporting back of issues raised: Q31 (<i>I believe the outcome of accident investigations is adequately communicated to those involved</i>) improvement in never & occasionally combined to less than 10%. 2016 results were 13%, 2017 results were 12.95% Management Group and Team Leaders to view the Dr Todd Conklin video about “failing safely”. “Failing Safely” and “no blame” culture to be regularly discussed at Management Group meetings. Information provided to H&S Committee on what “failing safely” means and seeking their suggestions on how we can support this and encourage engagement Health and safety section to be added to expected behaviours section of PDT forms. Improved feedback in staff climate survey on Q30 (<i>I report near misses</i>) never/occasionally to go down to no more than 10%. 2017 results were 12.14% 	<p>Schedule provided to H&S reps – 14 scheduled, 6 complete Process is complete.</p> <p>February – 8/10 March – 11/15 May – 11/16 August – 9/13 (ACHIEVED)</p> <p>2016 results were 13% 2017 results were 12.95% 2018 results were 6.71% (ACHIEVED)</p> <p>H&S survey question added this year: “I feel comfortable (or safe) providing information about H&S issues” - 60.38% said yes.</p> <p>Scheduled for discussion at the November Management Group and H&S Committee meetings.</p> <p>PDT system is under review.</p> <p>2017 results were 12.14% 2018 results were 8.61% (ACHIEVED)</p>
Improving accessibility to H&S information	<ul style="list-style-type: none"> Promapp refresher training sessions conducted (relevant to sites). 	<ul style="list-style-type: none"> All staff to have access to Promapp and RM. (Requires consultation with Records/IT) and refresher Promapp sessions conducted throughout the year. 	<p>H&S survey question added this year and shows there are still a number of staff with no access. To be addressed with Records.</p> <p>Refresher Promapp sessions to be</p>

	<ul style="list-style-type: none"> Information on risks specific to each team to be provided to team members. 	<ul style="list-style-type: none"> Improved feedback in staff climate survey on accessibility of H&S information: Q4 ('H&S information is easy to find, communicated in a simple way') 'occasionally' to go down to no more than 10%. 2016 results were 21.99%, 2017 results were 17.61% Q22 ('Safety processes are appropriate, logical and easy to follow') 'occasionally' to go down to no more than 7%. 2016 results were 10.71%, 2017 results were 11.35% Teams to identify their high risk areas of work/tasks where this has not already been done (i.e. site hazard registers). (Requires consultation with teams and is expected to take some time to complete). 	<p>scheduled.</p> <p>2016 results were 21.99% 2017 results were 17.61% 2018 results were 14.10% (NOT ACHIEVED)</p> <p>2016 results were 10.71% 2017 results were 11.35% 2018 results were 14.10% (NOT ACHIEVED)</p> <p>Not started and likely needing to be re-scheduled to 2019.</p>
<p>Improving health and wellbeing (improve general health, stress and bullying reduction)</p>	<ul style="list-style-type: none"> Develop guidelines for fatigue management and provide education to relevant staff. Review stress management policy to provide more user friendly staff guide. 	<ul style="list-style-type: none"> New guidance on fatigue published by October 2018 and training provided. New guidance on stress management published by May 2017 and training provided. Improved feedback in staff climate survey on Q37 ('Do you feel the demands placed on you at work are generally more than you are able to cope with?') always/often responses to go down to no more than 15%. 2016 results were 20%, 2017 results were 18.44% Improved feedback in staff climate survey on Q38 ('Have you experienced negative work related stress in the last 12 months?') always/often responses to go down to no more than 20%. 2016 results were 25%, 2017 results were 20.71% 	<p>Not started and likely needing to be re-scheduled to 2019.</p> <p>Not started and likely needing to be re-scheduled to 2019. A separate stress survey will be put to staff before Christmas 2018.</p> <p>2016 results were 20% 2017 results were 18.44% (to be part of separate survey)</p> <p>2016 results were 25% 2017 results were 20.71% (to be part of separate survey)</p>

Corporate and Operations Committee
27 February 2019



	<ul style="list-style-type: none"> • Develop an “unacceptable workplace behaviours” poster and associated education to encourage a reduction of bullying. • Promote health and wellbeing. 	<ul style="list-style-type: none"> • H&S Committee to drive this initiative by seeking feedback in the Bulletin and then preparing a draft document for E-Team approval. • Run two campaigns during the year on health and wellbeing topics such as healthy eating, exercise, sun smart (melanoma), work/life balance etc. 	Complete.
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Chief Executive Officers Report for November and December 2018

Trim No.: 2103725

A copy of the Chief Executive Officer's report for November and December 2018 is attached.

Recommendation

That the report be received.

Attachments

- A. Final CEO report for month ending January 2019 (Council meeting on 27 February 2019)
- B. Council Consents Received January 2019

Signatories

Author(s)	Don McLeod Chief Executive Officer	
Approved by	Don McLeod Chief Executive Officer	



Chief Executive Report

December 2018 to January 2019

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1.1 CEO summary

National

There continues to be intense debate around the future state of reticulated water supply regulations and management.

It is anticipated that we should know further within the next month whether compulsory aggregation.

Other changes and national updates include:

1. Plumbers and Gas Fitters association are advocating for self-certification of plumbing and gas fitting work. In principle this is acceptable so long as liability is sheeted home to the association.
2. The legal framework for Civil Defence is being drafted and recent changes proposed for our resourcing in the Waikato seem to align with this.
3. We have received an updated from the Provincial Growth Fund. The fund total is \$3 billion. \$1.7 billion has been allocated, a further \$1 billion of applications are being processed and \$0.5 billion of applications is underway. The fund is likely to be fully allocated by the end of this calendar year.
4. LGNZ are seeking legal advice on how local authority liability around development affected by climate change can be addressed where the Environment Court may over rule a Council decision. Recent studies undertaken by LGNZ indicate that 0.5m of sea level rise exposes \$2.7 billion of infrastructure to damage. At 1 metre this increases to \$5.1 billion. The Insurance industry is increasingly identifying this as Business Risk and is making noises of risk based cover. This applies to infrastructure affected more significant/frequent storm events.
5. The Environmental Protection Agency (EPA) is forming an alliance with Regional Councils to act as a regulator/enforcement agency on major consent breaches.

Funding and Financing

The New Zealand Productivity Council released an issues discussion document prior to Christmas. The document raises commentary on the pressures on local government, the current tools available and potential tools available to address future needs.

Submissions on this close on the 15th of February. This is will be a significant area of debate. The link to this document is on the Commissions website link, www.Productivity.govt.nz

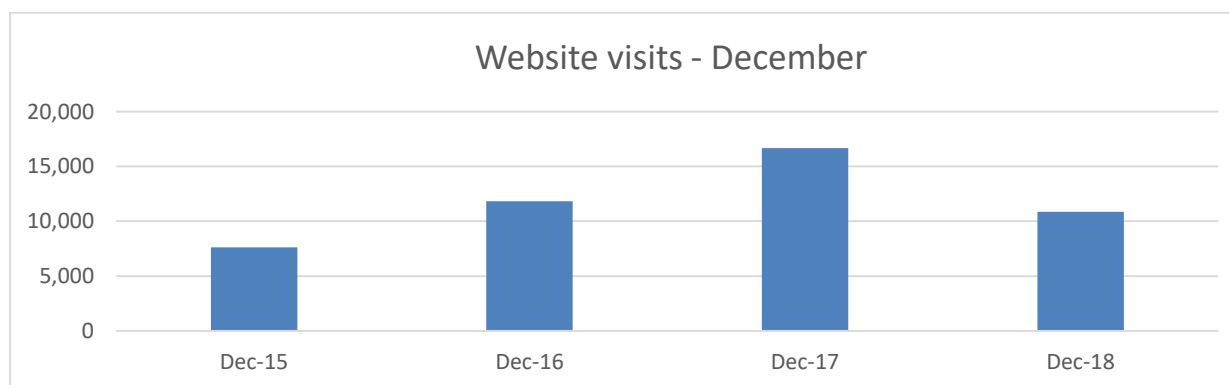
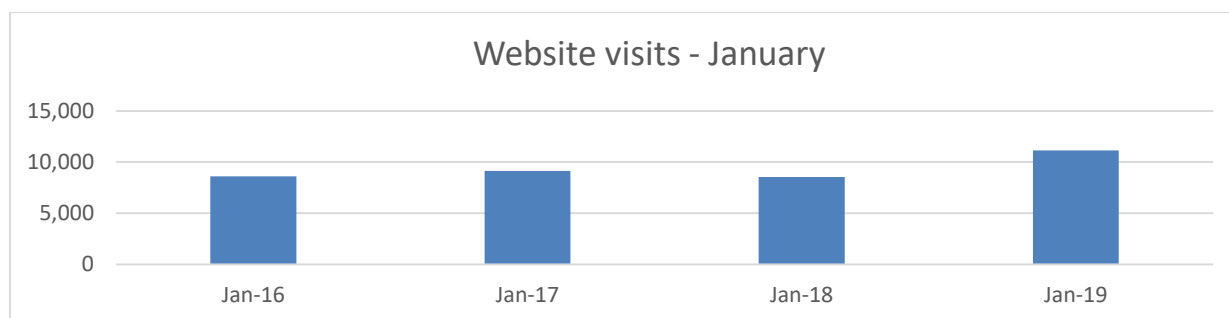
Recruitment

Recruitment continues to be challenging in this buoyant economy. We are having to extend application deadlines in some instances.

Community Satisfaction Survey

Attached is the latest quarter survey done for our community satisfaction survey. As you can see the results for the second quarter are a significant improvement on the first quarter

2. Corporate Overview



Events

- Waitangi Day was held in Morrinsville all participants enjoyed the day. A report is being put together for the Te Manawhenua Forum and Council.
- Planning has started for the ANZAC Day ceremonies.
- Two Events Facilitators have started and are currently going through the induction process.
- Volunteer Youth Ambassadors (VYA) – End of year function held in December.
- Planning is well under way for Waitangi Day, which will be held in Morrinsville this year.
- Planning has started for the ANZAC Day ceremonies.
- Completed a funding matrix to assess applications for the Events Funding. Four applications have been received and funded.
- Two Events Facilitators have been recruited and started mid-February.

Economic Development

- Continuing to build relationships with the business associations and chamber of commerce committees.
- Council is taking a lead role in the formation of the 'Talk Tourism Te Aroha' in conjunction with the Te Aroha Business association.
- Developing a comms plan/strategy for the progress of the PGF feasibility project.
- Attended Hauraki Rail Trail Trust advisory meeting, discussed the start of work on the Te Aroha to Matamata leg.

Communications and Marketing

- **Water Restrictions** – work has been done on social and print media to build awareness and engagement around water conservation. The move over to Level 2 was smooth with positive feedback from residents in all districts.

- **General Communications** - communications has been provided for a number of projects, including support at community meeting sessions.
- **Crate Day** – The initiative reached 12.9 thousand people on social media. Over 200 recycling crates were swapped or bought from our offices in Te Aroha, Matamata and Morrinsville. The initiative was well received by the community, and the number of stickered recycling crates has dropped dramatically.
- **Human Advent Calendar** (Christmas Social Media Campaign) – The initiative had an overall reach of 69.5 thousand people reached with an average of 2.7 thousand people per post. The post with the most reach was our public restroom cleaner Huia with 6.1 thousand people reached, followed by Anna, Jasmine and Facundo with our pool give-away at 4.4 thousand people reached. Our Christmas day video was viewed 1.3 thousand times and our sign language video was viewed 701 times. The Christmas-eve post with a reminder about where to go for fire permits had 109 clicks, 21 of those to the Fire and Emergency NZ website.
- **Christmas Hamper** – We gave away a Christmas Hamper as an incentive to reach 5000 likes on Facebook. The hamper post reached almost 5000 people and was won by a lady who donated it to her mother-in-law. Our Facebook page now sits at 5043 likes.

Online and Digital Services

- Antenno – The project team visited South Waikato for a tour of the system. South Waikato also shared promotional material for our use. A run through with the developer is scheduled for later this month.
- Audio visual equipment is being purchased for our event facilities. Wi-Fi will be available to people holding functions if requested.
- LIMs can now be paid online using a credit card, paving the way for any other application forms with a simple fee structure to also have the online payment option.
- Online voting - Due to the costs involved with a trial of online voting in 2019 being much higher than anticipated, the trial is placed on hold. We will still be involved with the working party to lobby for co-funding from central government and/or a nationwide trial.
- Online Building portal - analysis is required to determine the level of integration required for the online portal with Authority.

2.1 Human Resources

Staff turnover figures for year to date from 1 July 2018 to 31 December 2018 are:

Year to date at	Office	KVS	Water & Waste Water	Libraries	Facilities	Total
	%	%	%	%	%	%
July 2018	1.81	0	0	0	2.7	1.39
August 2018	1.79	2.38	0	0	2.63	1.83
September 2018	4.48	2.41	0	0	10.96	4.58
October 2018	4.42	4.82	0	0	10.81	5.00
November 2018	6.25	7.23	0	0	16.00	7.29
December 2018	6.22	7.23	0	0	16.00	7.27
January 2019	7.11	7.23	0	0	18.92	8.20

Total permanent staff resigned up to 31 January = 18

2.2 Corporate and Legal Services

Policies and Bylaws

- Wastewater and Land Transport Bylaw require some technical updates and these were approved for consultation in December and will be consulted on alongside a number of other documents in March/April 2019.
- Fires in Open Spaces Bylaw – with the changes made by the creation of Fire and Emergency New Zealand (FENZ) the majority of the clauses within our current Fires Bylaw are redundant. There are a few clauses which refer to 'smoke nuisance' which are still required by Councils enforcement team where FENZ do not have sufficient powers of enforcement. Council would like to incorporate these clauses into the Public Safety Bylaw and then revoke the Fires Bylaw, this was approved by Council in November and will be consulted on alongside a number of other documents in March/April 2019.
- Legal Highs Policy and Gambling Venue and TAB Board Venue is due for review, these policies were all approved for consultation in December and will be consulted on alongside a number of other documents in March/April 2019.
- Grants policies - overall review of all policies to align with LTP in 2018 is needed (non-statutory), this project has begun with initial research taking place, it is expected staff will be able to workshop this with Council in 2019.
- Earthquake Prone priority thoroughfares and routes of strategic importance – consultation is required due to the recent amendments to the Building Act. Council approved the Statement of Proposal and maps on 30 January 2019 to be consulted on alongside a number of other documents in March/April 2019. Letters will be sent to directly affected property owners early February to ensure they are well informed and have sufficient time to ask any questions and prepare submissions.

Annual Report

- The 2017/18 Annual Report and Summary was presented to the Audit and Risk Committee on 9 October and formally adopted by Council on 10 October with a clear unmodified Audit opinion. The summary in the form of a calendar was in local newspapers on 7 November. In December Council approved the timeline for the 2018/19 Annual Report. The first quarter report was presented to Council in November and the six month report is due to be reported to COC on 27 February 2019.

Long Term Plan

- The Long Term Plan along with a number of other documents were approved by Council on 27 June, these all came into force 1 July 2018. We are working on preparing a timeline for the 2021-31 LTP and will start working on initial population projections early 2019.

Treaty Settlements

Hauraki Treaty Settlements - Ngāti Rahiri Tumutumu and Co-governance

- The Hauraki Treaty Settlements are negotiations between Iwi and the Crown, Council are engaged on the process. The Crown and Iwi of Hauraki signed a Collective Redress Deed on 2 August 2018. An update will be provided to Council when available.

Ngāti Hinerangi Treaty Settlements

- The Ngāti Hinerangi Treaty Settlements are negotiations between Iwi and the Crown, Council are engaged on the process. Ngāti Hinerangi and the Crown initialled a Deed of Settlement on 14 December 2018.

LGNZ Excellence Programme – Action Plan

Areas for Improvement	Response
OVERVIEW – pages 4-5	
1 Information on the district's growth outlook currently is from moderate to high in the Council's view. To achieve buy-in for the Council's vision and to address the required pace and extent of change in the Long Term Plan for the district, councillors will need the most objective growth information available	Completed - This has been completed with Council adopting its growth projections in April 2017. A further review of growth will be completed for the 2021 LTP.
2 In the new Long Term Plan, Council performance needs to be driven by improved key performance indicators linked to the Chief Executive's performance agreement, which in turn links to management's key performance indicators.	Completed - This has been completed through the CE Performance Review Committee.
3 Opportunities for improved service delivery may be realised through more substantive operational reviews under s.17A of the Local Government Act.	Programmed - S17A reviews were completed August 2017. A new project plan for the ongoing reviews has been initiated.
4 The Council should further strengthen its financial and asset strategies, and link these more clearly to the Long Term Plan.	Completed - with the development of the Financial Strategy (FS) and the Infrastructure Strategy (IS) as part of the LTP project.
5 Future Council infrastructure expenditure is highly dependent on NZ Transport Agency (NZTA) decisions for the Waikato region. Looking forward, the Council needs to strike a careful balance between investment in transport and the three waters and a significant fixed-income rating base.	Completed - addressed through the FS and IS
6 Council and community would benefit from actively engaging with Māori/Iwi in economic development.	<p>Underway - Council has a manawhenua forum. The Forum has asked to review its Heads of Agreement with Council, and this is completed. Individual iwi agreements are also proposed to cover the latest RMA amendments as well as Council's broader engagement with iwi. Much of Council's future engagement with iwi, especially around economic development, will be dependent on the final outcome of treaty settlements and potential new co-governance structures. Council will explore future opportunities for engagement as and when they present themselves.</p> <p>Further engagement with Iwi has been undertaken through Council's Business Awards, the Matamata-Piako Civic Centre Project and Youth Awards. Council has also made an approach to Ngati Haua to develop an engagement agreement. Treaty settlement negotiations have been engaged in in good faith, updates on these can be found above.</p>
7 The Council requires an overarching engagement and communications strategy.	Underway - This will be covered as part of the Communications and Events Activity

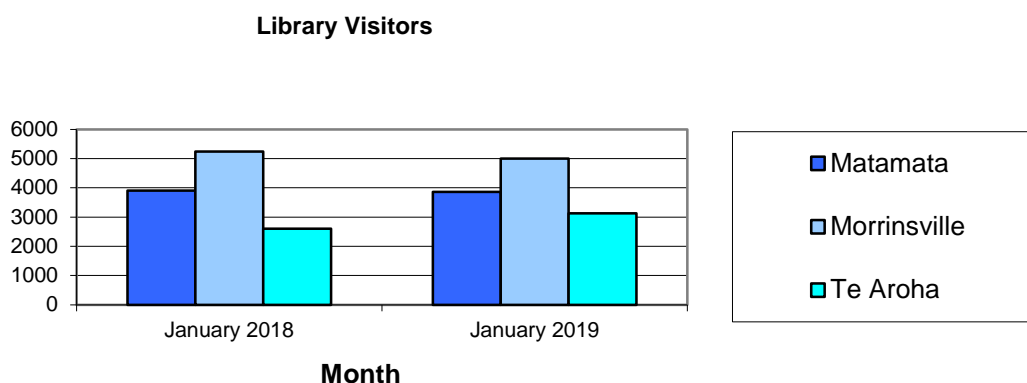
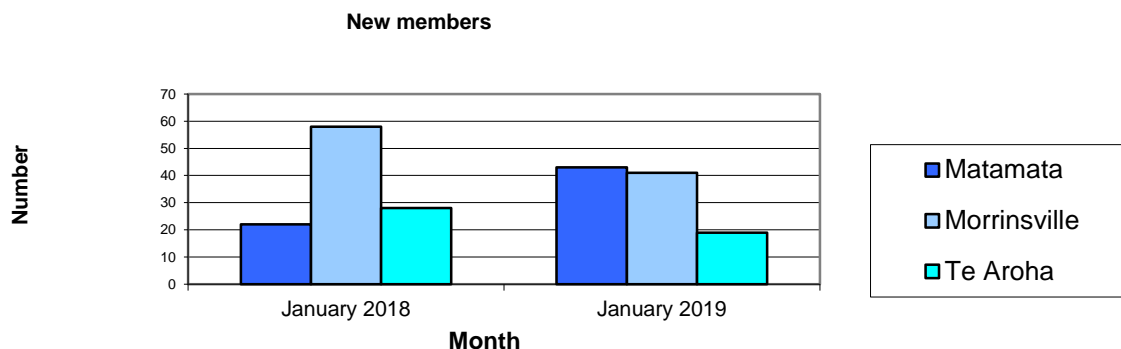
	<i>Plan</i>
Governance, leadership and strategy – pages 6-8	
8 There is a need for the Council to fully understand growth outlook for its district, and to translate its aspiration into a simple and clear vision for the Long Term Plan.	<i>Refer 1 under Overview.</i>
9 Not all councillors have undertaken governance training. More needs to be done on developing the knowledge and skills required for governance.	Underway - A training needs assessment will be undertaken.
10 The Annual Report would benefit from improved transparency, particularly of projects that were not completed.	Completed – Projects budgeted for in the current year and not completed have been included in the 2017/18 Annual Report to improve transparency. These projects will also be considered when planning the following year's work programme in terms of existing commitment and capacity.
11 The Council should ensure that major project investment decisions are supported by appropriate business cases	Underway - Work is currently underway on reviewing the Project Management framework, which includes improving our Business Case framework.
12 The staff satisfaction survey needs to be conducted independently	Completed - A new external staff survey has recently been undertaken. The survey is called AskYourTeam and is a continuous business improvement tool and allows for local government benchmarking. Results have been analysed and the overall results were very positive. Some opportunities for improvement have been identified and plans are in place to address these areas.
13 The Council should progress implementation of its health and safety policies to embed a strong culture of health and safety throughout the Council	Underway - An external audit of Council's H&S policies and processes has recently been conducted, and the recommendations are currently being pursued and implemented as appropriate.
Financial decision-making and transparency – pages 9-10	
14 The Council should separate its financial strategy ("why") from its financial plans ("how" and "what")	Completed - This will be addressed as part of the development of the new FS.
15 There is a need for greater clarity in evaluating investment activities undertaken by the Council.	<i>Refer 11 above.</i>
16 Budget variances and the carrying forward of uncompleted capital-expenditure projects should be more clearly reported	<i>Refer 10 above.</i>
17 The Council would benefit from zero-based budgeting	Underway - Executive Management to consider.
Service delivery and asset management – pages 11-12	
18 Asset renewal strategies should explain why each asset is important for the district, and what the options are for its future development	<i>This has been considered as part of the development of the IS and the individual AMPs.</i> <i>Business Cases are being prepared as part of the Capital Works programme development for the LTP.</i>

19 Council should make the cost and benefits of large proposed infrastructure investment (transport, stormwater, drinking water) clear to the district's residents and businesses.

Underway – This has been addressed through the LTP Consultation Document

3. Community Development Overview

3.1 Libraries



Libraries comments

Our staff

- The library staffing review was confirmed in late November. This review supported a district-wide approach to library management, recognised the need for consolidation of technical and collections expertise, and suggested team leader structures at each of the three libraries.
- A lot of work has gone in to developing our new staff roster across all three libraries – the new roster sees Team Leaders and our full-time Customer Service Librarian formally working one Saturday in four, and taking regular rostered lieu hours to compensate. Even with this in place we are still short of two Saturday slots every four weeks, so we are using casuals on a temporary basis but currently assessing some suitable long-term solutions. These include the proposed Community Engagement Librarian working a regular Saturday, or devising a 10 hour Friday to Saturday library assistant position to cover Saturdays and the lieu hours which are often taken on a Friday.

Health and safety

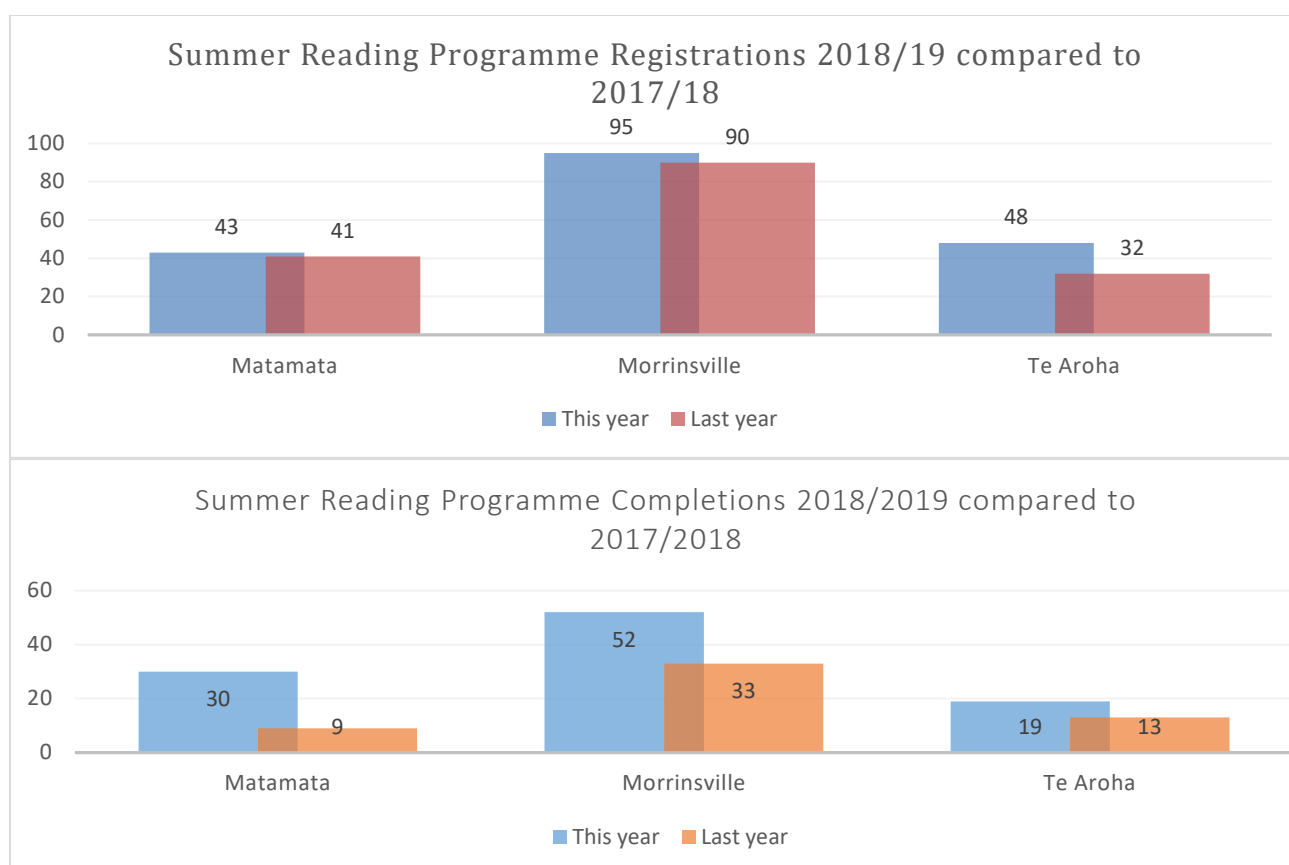
- Two of our Te Aroha staff received praise when they tended to a customer who had fallen and injured her head on the front steps at Te Aroha Library. As well as demonstrating all the correct health and safety procedures, the staff also demonstrated excellent community spirit by

keeping visiting the lady in hospital and feeding her cat in the absence of any family members who could help.

- Matamata Code Club is going well, but we are concerned about the well-being of the young children who are in attendance with the volunteer mums so are currently thinking of ways to make them safe while their mums are helping out.

Our promotions and activities

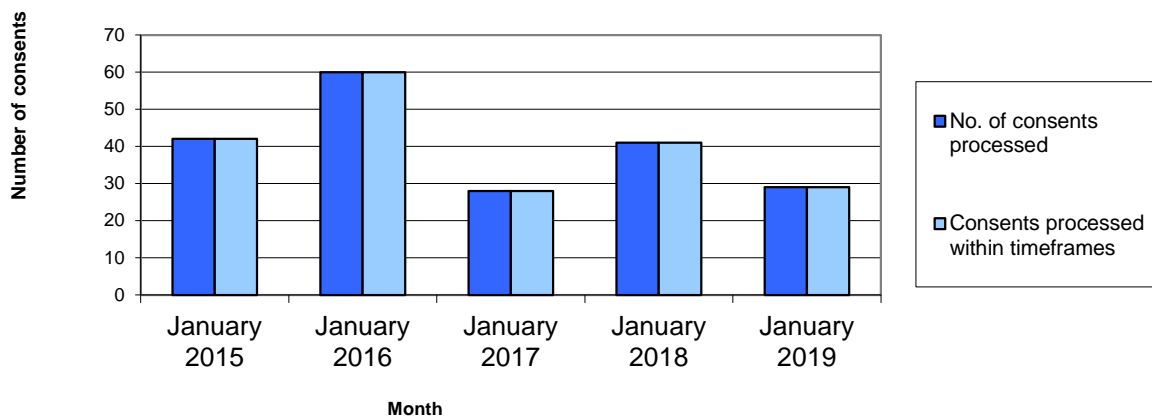
- The Kiwanis Summer Reading Programme Finale Party held at Matamata was well-attended by 150 people many dressed as favourite book characters, and overall the programme was deemed a great success. As well as the children and their families who took part in the programme, Kiwanis were in attendance as was Mayor Jan, who awarded prizes and certificates. We received a substantial donation from both Morrinsville and Matamata Kiwanis to enable us to run the programme. 189 children signed up across the district, 101 children completed and many did more than bare minimum required. Feedback from parents has been very positive.



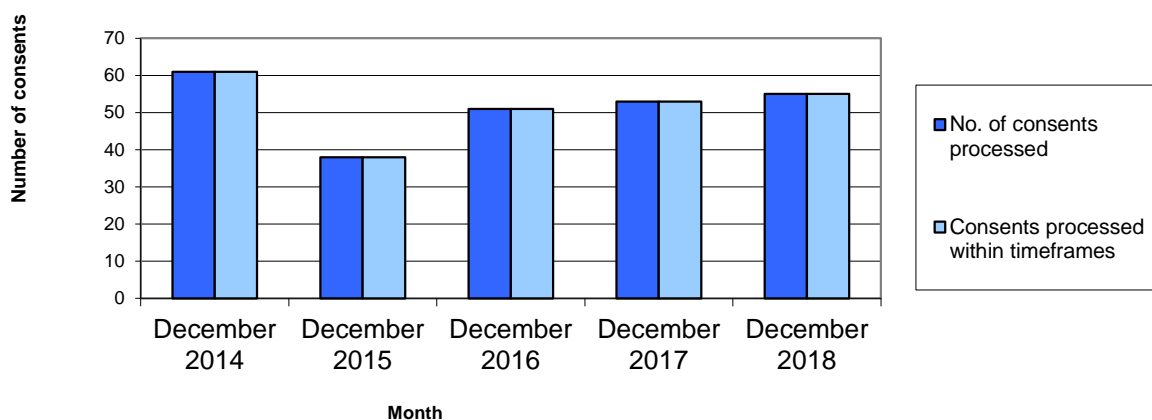
- The extra effort that went in to promoting and developing the programme appears to have made a big difference compared to last year. However, we are still aware the programme does not have a wide reach when we consider how many children are in the district and we suspect we are still only reaching the children who are from supportive families who are already reasonably avid readers or library users. We plan to review the programme with a view to being more diverse and getting a wider reach next year.
- Following on from the recent opening of our Te Aroha Little Free Library in the Community Garden, our second Little Free Library has now been installed at Waharoa, outside the Griddle Earth Café. We are again grateful to the KVS team for assisting us with the installation.

3.2 Building

Building consents processed



Building consents processed



Building highlights and comments:

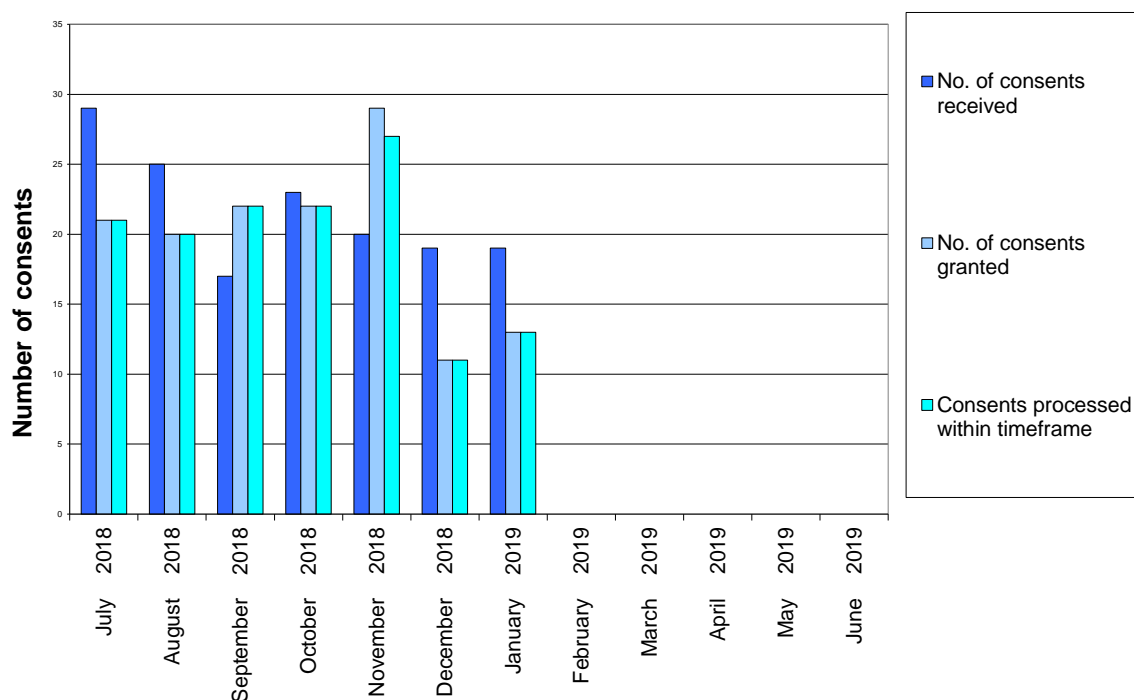
- Stop working days of processing Building Consents is between 19 December and 10 January as per the act.
- All building consents were processed within legislative 20 day timeframe.
- Swimming Pool Inspections - 6

3.3 Planning

Resource Consents

Resource Consents – January 2019

Resource consents processed



A report on resource consents received for January 2019 is included as Appendix B to this report.

In January, Council received 19 resource consents and granted 13 consents.

Limited or Publicly Notified Resource Consents:

There was one Limited Notified Resource Consents for January 2019.

RC Reference	Applicant	Property	Limited/ Public	Date Notified	Close of submissions	Pre-Hearing Date	Hearing Date
102.2018.11695.1	Shari Properties	432 Thames Street, Morrinsville	Limited	31.01.19	01.03.19	NA	NA

District Plan Policy

- Plan Your Town (PC 47) – A court assisted mediation date is set for 14 February 2019 to see if a resolution can be achieved in regards to the appeal.
- Waharoa Zoning and Development (PC 49) – The timeline for this plan change has been amended to follow the PGF proposal.
- Hobbiton (PC 50) – We are working towards a hearing date in early April.
- Open Country Dairy (PC 51) – Council on the 30 January made a decision on this plan change which is now subject to the 30 day appeal period.
- Tatua Dairy Factory (PC 52) - It is likely that all submissions issues will be resolved and that this plan change will be before Council shortly for a decision.
- Settlements (PC 53) – We have engaged Planning Works (Todd Whitaker) to assist Council with this plan change.
- Papakianga (PC 54) – We have engaged Boffa Miskell to assist us with this plan change.
- Healthy Rivers (Waikato Regional Council Plan Change 1) – We are currently preparing evidence for the first phase of hearings.

Health

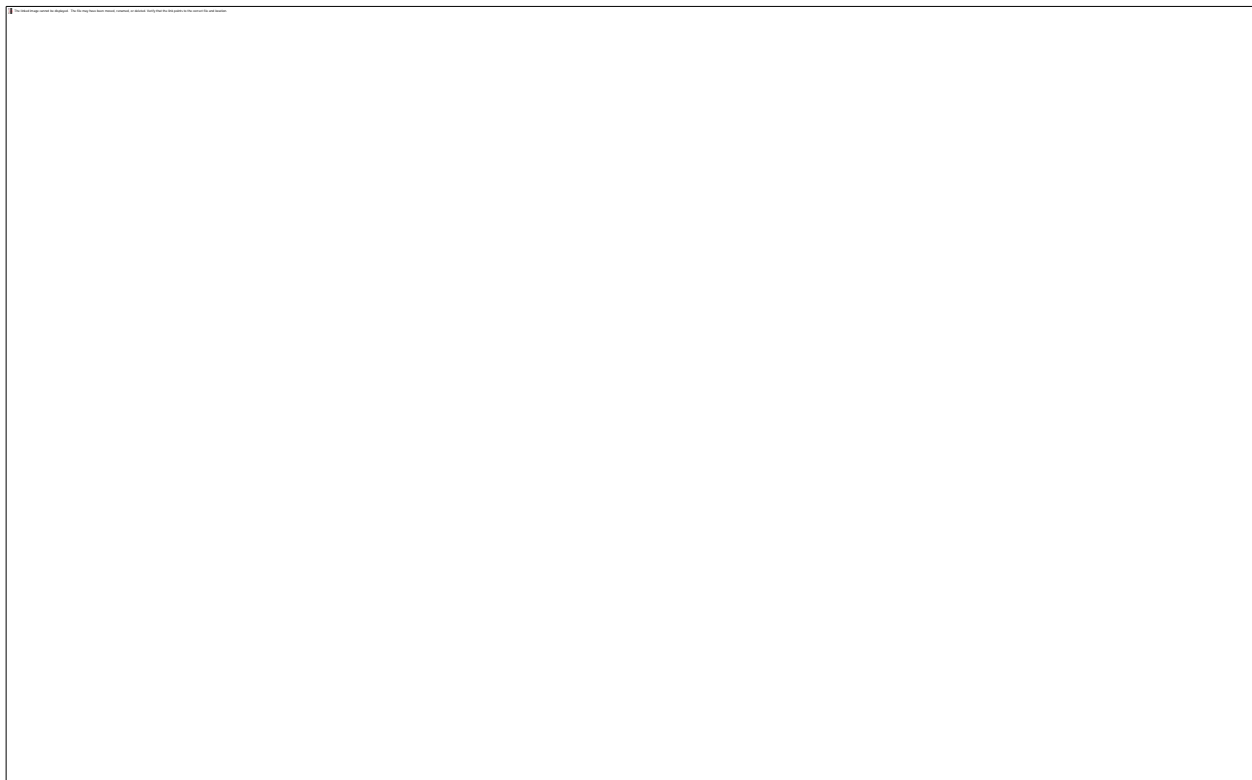
- We are currently auditing all year two business to enable them to transition under the Food Act 2014.

Noise

Noise Stats

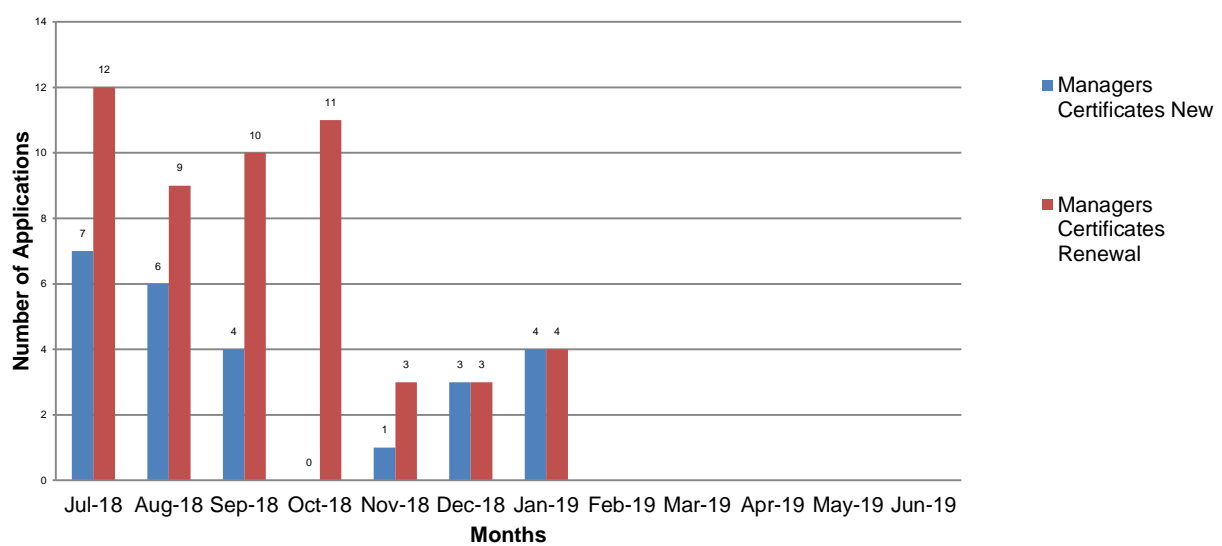
	Jan-14	Jan-15	Jan-16	Jan-17	Jan-18	Jan-19
Matamata	13	13	11	15	8	5
Morrinsville	12	14	8	18	15	23
Te Aroha	16	14	10	9	4	6
All wards	41	41	29	42	27	34

	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18
Matamata	17	31	10	5	2
Morrinsville	23	16	25	11	29
Te Aroha	11	9	13	18	9
All wards	51	56	48	34	40



Alcohol

Manager Certificate Applications



New/ Renewal Licences

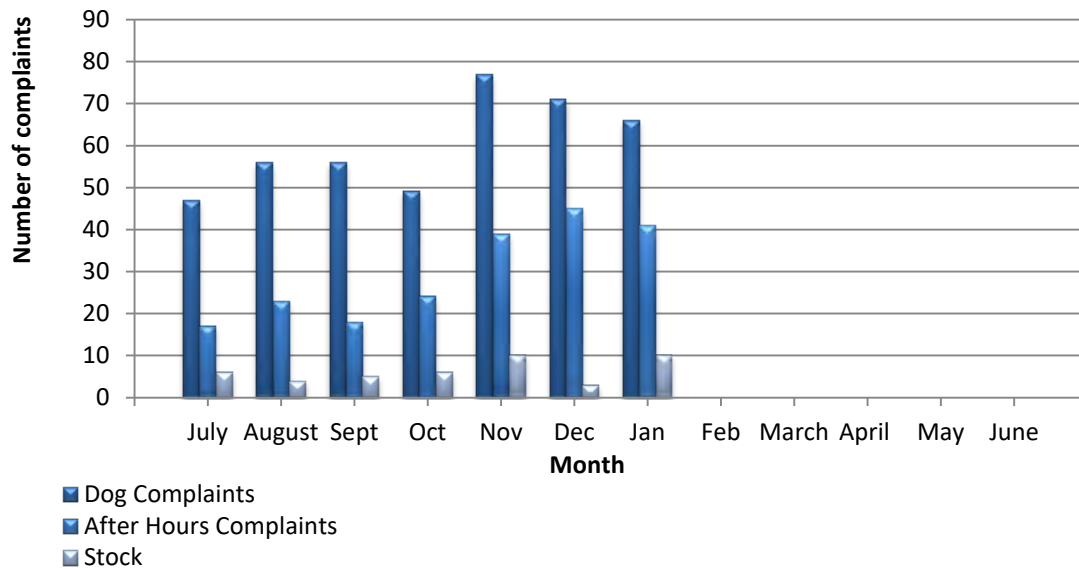
Agency Application Number	Applicant Name	Type of Licence
January:		
162.2019.1430.1	Te Aroha Four Square	New Off Licence
162.2014.964.3	Kereone Rugby Club	Renewal Club Licence
162.2011.657.4	Caffeine@Fitness Furnishings	Renewal On
December:		
162.2018.1425.1	Smugglers Liquor	New Off
162.2018.1426.1	Osteria Matamata	New On
162.2018.1422.1	Grand Tavern	Temporary
162.2009.42.9	United Matamata Squash Club	Renewal Club
162.2009.31.5	The Redoubt Bar & Eatery	Renewal On
162.2011.652.4	O'Del'Emz	Renewal On
162.2014.969.3	Star Food Café	Renewal On

Special Licences

Agency Application Number	Applicant Name	Event
January:		
162.2019.1427	Morrinsville Rugby & Sports Club	Evan Brown's 50 th Birthday
162.2019.1428	Kereone Rugby & Sports	60 th and 21 st Birthdays
162.2019.1429	Te Aroha Club Inc	Fishing Competition
162.2019.1431	United MM Sports Club	Hot Rod & Custom Car Club Display
December:		
162.2018.1423	Tui Park Bowling Club	Community Bowls
162.2018.1424	Nigel Leeson – Kereone Rugby & Sports Club	Wedding

3.4 Animal Control

Animal Control Complaints 2018-2019



January Statistics

76 calls in total were received 18 Matamata, 32 Morrinsville, 26 Te Aroha

- 66 of these calls received were regarding dog complaints
- 10 of these calls were wandering stock calls
- 41 calls were received after hours
- 7 dogs were impounded during the month

Complaints per Ward

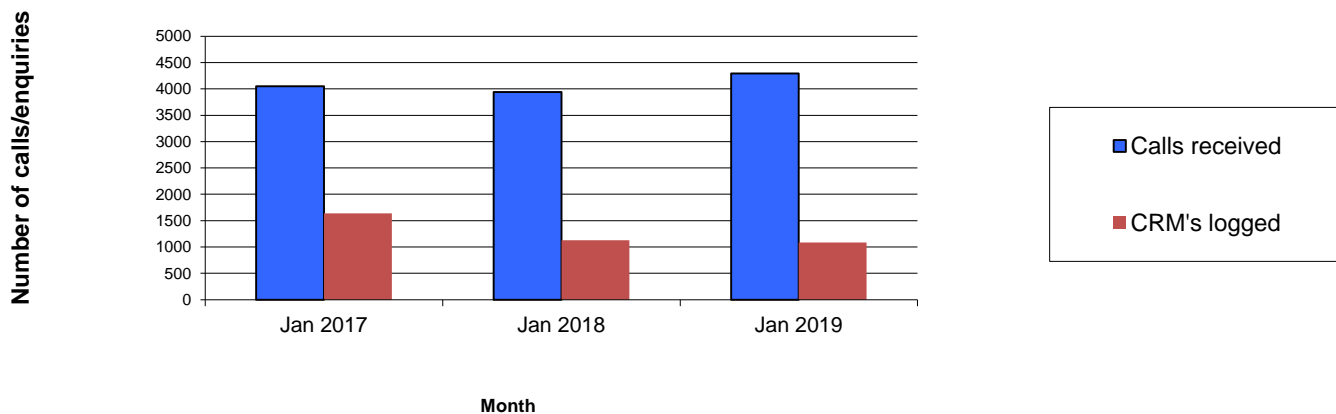


■ Matamata ■ Morrinsville ■ Te Aroha

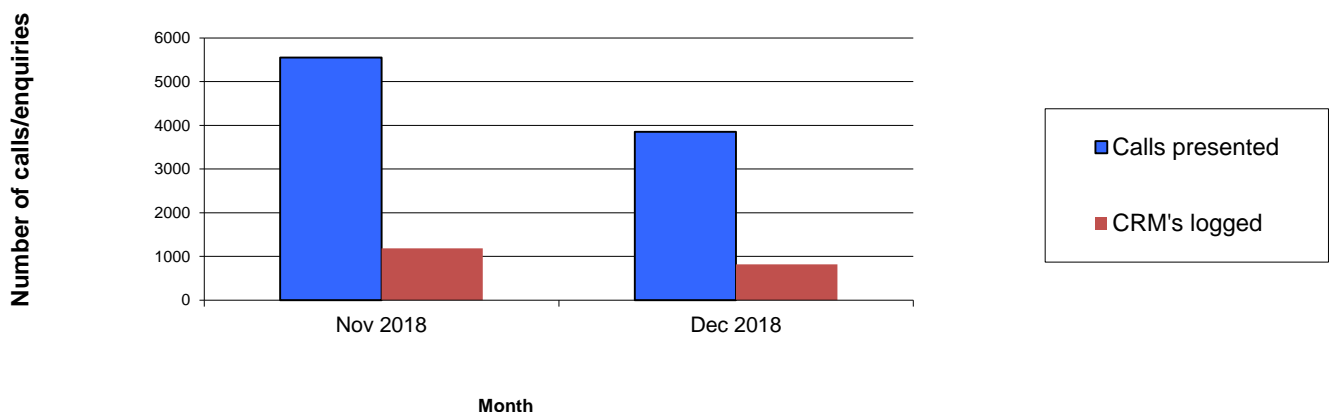
4. Service Delivery Overview

4.1 Customer Services

Customer Service Calls & CRM's logged

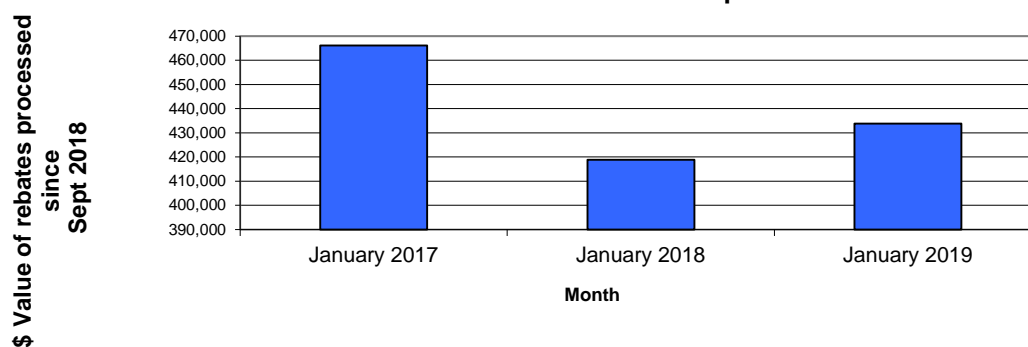


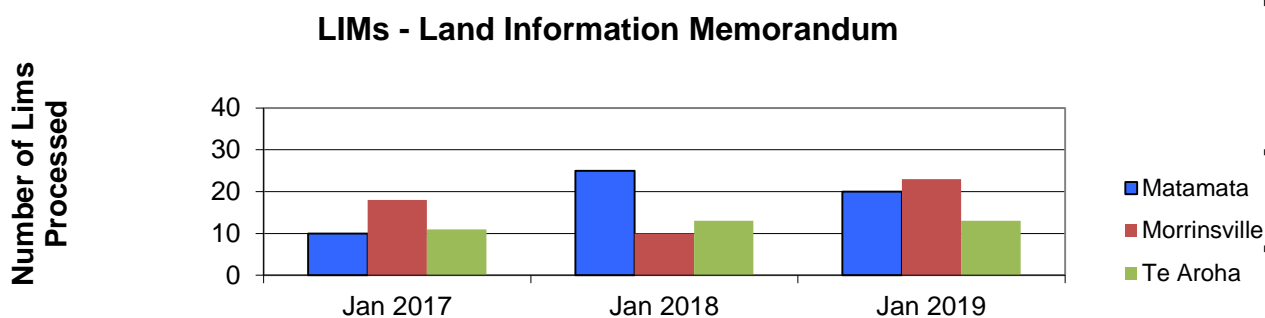
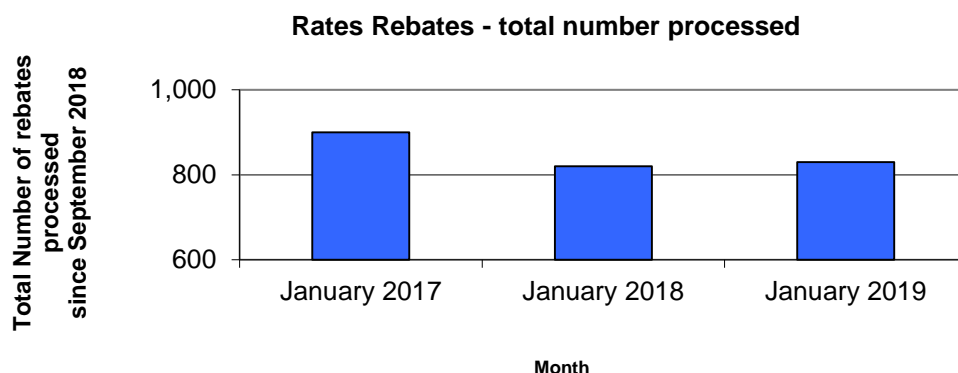
Customer Service Calls & CRM's logged



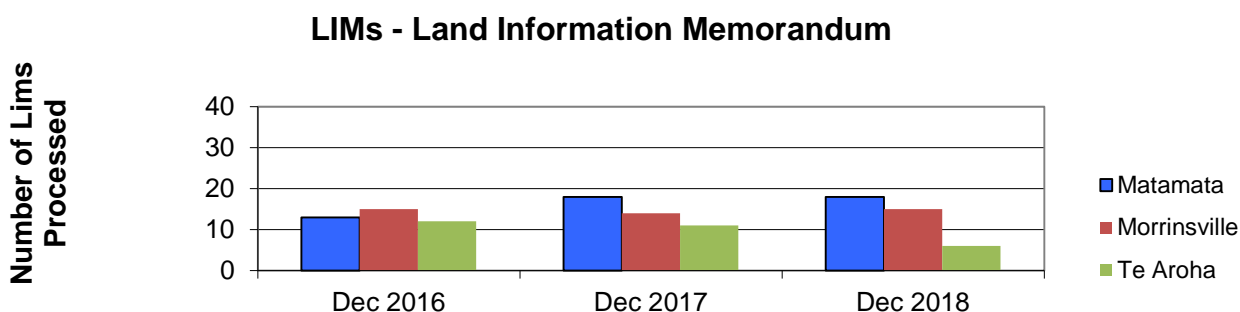
Rates Rebates

Rates Rebates - total value processed





LIM (Land Information Memorandum) – 56 applications were received in January, **11** of these were urgent requests.



LIM (Land Information Memorandum) – 39 applications were received in December, **14** of these were urgent requests.

4.2 Water and Waste Water

4.2.1 Water Team

Summary of Water Treatment Plant Compliance – January 2019

Plant	Protozoa	Bacteriological	Chemical	Resource Consents
Hinuera	Compliant	Compliant	Compliant	Compliant
Matamata Tills Road	Compliant	Compliant	Compliant	In Progress ¹
Matamata Burwood Road	Compliant	Compliant	Compliant	Compliant
Matamata Tawari Street	Compliant	Compliant	Compliant	Compliant
Morrinsville Waterworks Rd	Failed ²	Compliant	Compliant	Compliant
Morrinsville Scotts Road	Compliant	Compliant	Compliant	Pending ³
Tahuna	Compliant	Compliant	Compliant	Pending ³
Te Aroha	Compliant	Compliant	Compliant	Compliant
Te Aroha West	In Progress ⁴	Compliant	Compliant	Compliant
Te Poi	In Progress ⁵	Compliant	Compliant	Compliant

^{1, 2, 3, 4, 5, 6} See below explanation for failed / pending results

Guideline to Compliance States:

Failed: true failure as a result of laboratory sampling or plant process failure.

In Progress: technical failure, but a solution has been found and implemented.

Pending: Technical failure and a solution has been found but not implemented (may require options assessment).

Compliance Summary

1. A technical issue caused issues with a flowmeter recording flow exiting the plant when it was in fact not which resulted in false consent non-compliances. This has since been resolved and communication with the Waikato Regional Council is underway to explain the incorrect non-compliances.
2. A failure in the floating intake structure falling to the bottom of the 8m dam resulted in high levels of ammonia entering the plant. Ammonia is not normally present in a water supply at these levels and it interfered with the manganese and iron removal, causing discolouration of the Morrinsville water supply. It is important to note that protozoa compliance is based on turbidity measurements: although the water leaving the plant exceeded these at times, the turbidity was caused by iron and manganese, not material that is associated with potential protozoa risk e.g. filter solids. Therefore, the risk of protozoa entering the supply was very low despite the protozoa non-compliance.
3. Tahuna and Scott's Road slightly exceeded the abstraction rates over January. These are currently being looked at and a number of options are being considered e.g. consent change, storage.

4. Te Aroha West requires a catchment risk assessment (CRA) to achieve protozoa compliance; however, the project to deliver potable water from Te Aroha is due for completion in April and the CRA will not be required.
5. Te Poi is technically non-compliant and requires a catchment risk assessment (CRA). However, the updated Drinking Water Standards which take effect from the 1st March assigns default protozoa removal of which Te Poi is able to achieve.

4.2.2 Wastewater Team

The following table shows the compliance status of the wastewater treatment plants. **Table - Overview of WWTP Compliance**

	Matamata	Morrinsville	Tahuna	Te Aroha	Waihou
RC Number	110031	118885	118187	120309.01.01	120703
Volumes, Flows	Compliant	Compliant	Compliant	Compliant	Compliant
Sampling & Effluent Quality Requirements	Failed	Compliant	Compliant	Compliant	Failed

- Waihou failed 2 effluent quality conditions. The plant is unlikely to achieve compliance without a major resource consent change. A project is underway that is looking at the feasibility in combining all the wastewater consents into one, and off-set failures at one plant to another. The first stage of this is due to be completed by the end of February.
- After 3 years of full compliance, Matamata will be non-compliant in 2018/19 due to two ammonia samples in November exceeding the maximum allowable limit. However, investigations has revealed the likely cause of these exceedances originate from a trade waste source that cause a toxic shock to the bacteria responsible for reducing ammonia in the discharge. The Wastewater Operations Manager is managing a project to mitigate this risk to ensure long-term compliance.

4.2.3 Water and Wastewater Projects

The following four projects are currently underway as they have been identified as critical or high-priority projects:

- **Te Aroha West Water Connection:** This project is still on track to be completed by April 2019. The installation of the pipe through the farms is underway.
- **Te Aroha Water Treatment Plant Sludge Recovery:** The contract document is still being prepared for tender, with an expected project completion is still to be confirmed.
- **Scott Road Compound Pipework:** Heb Contractors have completed stage 1 of the project implementing the return of the up line to Mount Misery reservoir. Stage 2 investigations has begun which involves tidying up the 'y section' that was damaged in December 2017. This is expected to be completed by early June 2019.
- **Matamata Burwood Road and Tawari Street UV:** The main contractor has been selected and design received by the council. TheThe project is on track to be completed in May/June of this year.

4.3 Kaimai Consultants

Roading

Maintenance Contract – Fulton Hogan January 2019 activities – Contract 1985

Overview Report

- The cyclic crews continued with EMP (edge marker posts) and CMP (culvert marker posts) replacements, rubbish removal, sweeping of entrance ways, cleaning culverts, pothole repairs and general cyclic maintenance.
- The hotmix crew completed a number of edgebreaks and minor levels across the network as programmed.
- The stabilising crew completed stabilising patches as per their program.
- The sealing crew carried out second coat seals as programmed while in the network.
- The drainage crew completed repairs to drains and culverts as required.

Road Network Maintenance Contract 3/23/2192 2019-2022 (+2+2)

- Contract 1985 expires on 30 June 2019. A new Contract (3/23/2192) was put out to tender late 2018. The tender has now closed and the Tender Evaluation Team (TET) are going through the Tender Evaluation process. The goal is to award the new contract by late March 2019 for 1 July 2019 start.

Other Contracts and Activities

Contract No. 2191 Supply and Installation of LED Streetlights 2017/2018 Stage 2

- This contract was awarded to Downer New Zealand Limited and entails the replacement of 329 existing lights (scheduled) with LED lights in Morrinsville, Matamata and Te Aroha. 319 LED's have been installed to date.

Contract No. 2194 Supply and Installation of LED Streetlights 2017/2018 Stage 3

- This contract was awarded to McKay Limited and entails the replacement of 911 existing lights (scheduled) with LED lights in Morrinsville, Matamata and Te Aroha. 891 LED's have been installed to date.

Ron Ladd Place public carpark.

- This was awarded to Paul Steiner Contractors. Carpark now constructed, surfaced (asphalt) and line marked. Just street lights yet to be installed to complete. Our lighting consultants are looking at options. Ducting was installed in the pavement to save digging up the new carpark to install the power supply cables.
 - Reseals – Contract 2098 – Fulton Hogan. This is a 2+1+1 Contract. Approx 90% reseals now completed. We have had a few issues with bleeding bitumen this Summer in the extreme heat. Fulton Hogan have been monitoring the sites and will react accordingly to keep them safe and to prevent and major failures in the pavement.
 - Road Marking – Contract 2177 - Roadmarkers New Zealand. Urban marking completed. Rural marking due to start end of February once reseals are completed.
 - Signs – Contract 2119. Contractor – Directions (3+1+1 contract). Works ongoing
- Corridor Access Requests

- Twenty Five (25) CAR's were processed in January.

Overweight Permits

- One (1) HPMV permit was processed in January.

Works Programme 2018/19

Package 1. Contract 3/23/2201 – Awarded to J Swap Contractors.

- Okauia Springs Rd (RAMM 1100-2500). Complete.
- Studholme St South (RAMM 20-660). Swaps have now sub-contracted Fibre Networks to install new trunk water main and riser mains. The new water main infrastructure should be fully installed and operational by the end of February allowing J Swap Contractors to start the Studholme Street rehabilitation early March to be completed by the end of April. This is the main route into Morrinsville from the south. There will be some disruption and delays while the road works is being undertaken. Full traffic management will be in place. Possibly some delay from KiwiRail in receiving the permit to have our water main in their corridor (Deed of Grant).

Package 2. Contract 3/23/2202. Awarded to Broadspectrum. Start date to be confirmed once all documents provided and signed off.

- Matuku Rd rehabilitation (RAMM 700-1200). Complete.
- Matuku Rd rehabilitation (RAMM 4050-4640). Complete.
- Piako Rd rehabilitation (RAMM 3000-4225). Approx 50% complete.
- Valintine Road. A 400m section of pavement at the northern end of Valintine Road has deteriorated to a state where we have had to put up speed restriction and "Uneven Surface" signs while we work on a pavement design and arrange a meeting with NZTA and Waikato District Council about procurement and cost shares. We met with two roading engineers from Waikato District Council. They considered our design but wanted to take it back to their design team and review. We are now waiting for a formal response.

Events and Road Closures

All Events within the Road Reserve are subject to formal approval by Council and NZTA (if held on a State Highway). Road Closures are subject to formal approval including advertising, insurance and traffic management approval. Non-Road closure are still subject to approval including insurance and traffic management approval.

Events – Non-Road Closure

- Oak Lane Lodge – Jazz Day 23 February 11.00am – 8.00pm. Horrell Rd Morrinsville. Approved Traffic Management Plan for Horrell Rd entrance.
- Bev May Women's Tour - Two day cycling event will be held on various roads in our district 16 – 17 February. Approved including Traffic Management Plan for all courses.
- Piako Triathlon – 17 March. Avenue Road South and Scott Road. Approved including Traffic Management Plan.
- Tower Road run - 1 March. A run around various streets and Tower Rd Matamata. Approved including Traffic Management Plan.

Events – Road Closure

- Hamilton Motorcycle Club has applied for a road closure on Quine Road for 24 February for a hillclimb event. Although there were no submissions through the road closure process / timeframes, concerns have been raised about the casual way the club has gone about the road closure over the past few years and a local has started a petition against the event. A meeting between the Motorcycle Club representatives and persons who have signed the petition has

been arranged for Monday 18th February. If the Motorcycle Club cannot appease the residents at this meeting then Council may consider cancelling the road closure.

- Thames Valley Car Club has applied for a road closure for 31 March on Piakonui Road for a rally sprint event. Currently going through advertising/submission process
- Targa New Zealand has applied for road closures for three stages of the Targa Rotorua – Hawkes Bay 2019 tarmac motorsport event on 17 May 2019. A meeting will be held with a representative from Targa before the road closure advertising/submission process starts.

4.4 Kaimai Valley Services

4.4.1 Parks and Reserves

Gardens

- The annual beds where impatiens were planted and then removed because of a disease the plants had have been replanted with Petunia's;
- The annual beds in Morrinsville and Matamata are flourishing and feedback has been positive;
- Irrigation of the annual beds is only carried out early morning (where possible) and to keep the annuals healthy now there are water restrictions;
- The hanging baskets in Morrinsville required the Lobelia removed and the Zinnias were dead headed and fertilised;
- All CBD gardens have been brought back to a high standard (after being maintained over the Christmas / New Year period by the skeleton gardening crew);
Weed spraying of hard edges, park furniture and fence lines is underway and is being completed as part of the town CBD rotation



Matamata CBD area

Mowing

- The recent hot dry weather has finally slowed the grass growth;
- The mowing team are functioning well as evidenced by their ability to manage the challenges of unseasonal high growth over the Christmas / New Year period and the good feedback received from two corporate clients (Open Country Dairy and Icepak); .

Matamata Clock

Trees

- Arborcare have been contracted to carry out Privet control behind the Te Aroha Domain and will work their way around to the Water treatment plant. This work is due to start in the second week of February.

Cleaning and Rubbish Collection

- Meetings have been held with the two preferred cleaning contractors to write up specifications for cleaning all the council buildings and facilities;
- The rubbish collection over the holiday period was completed without too many issues this year. This is due to the extra rubbish collections and the bigger bins



placed at key areas in Matamata and Waharoa;

- The trial of leaving the Exeloo's at the Studholme St toilets open 24/7 is underway and so far hasn't presented any issues;
- The Lawrence Ave toilets were vandalised over the Christmas period. The dispensers have been replaced and we are waiting on delivery of the new urinals so they can be installed;
- Cleaning and sealing of the Matamata CBD pavers was completed by the contractor in January. Morrinsville CBD pavers have also been cleaned and Te Aroha CBD is still to be completed

4.4.2 Retic and Works

CRM's

- The total number of CRM's received and completed during December/January is as follows:

	Water	Sewer	Stormwater	Works
Total Received	85	5	7	44
Total Completed	68	2	6	25

- Sequoia Place sewer break. The sewer break caused by a falling tree is 95% completed (one final bracket to be installed);

Retic

- Installed three new 20mm water connections;
- Contractors have made the following progress on the water main renewal works:

Location		% Complete	Comments
Matamata	Smith Street	100%	
	Elizabeth Street	100%	
	Hohaia Street	100%	
	Waharoa Road East	100%	
Te Aroha	Follis Street	100%	
	Carlton Street	100%	
	Lawrence Ave	100%	
	Barclay Ave	100%	
	Russell Ave	90%	
	Churchill Ave	95%	contract extended to 15 March 2019
	Wyatt Avenue	95%	

Works

- Footpath maintenance is on track and 80% of the maintenance budget has been used.

4.4.3 Admin

Other

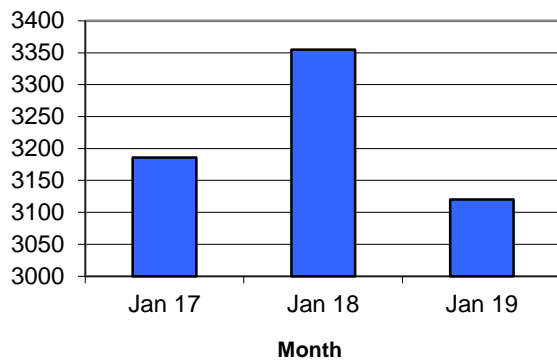
- Positive improvements in the Te Aroha Domain is evident and regular maintenance on the gardens and mowing are producing good results;
- After our recent walk around with the CEO and GM Service Delivery an additional list of proposed improvements has been compiled and added to the higher levels of service.



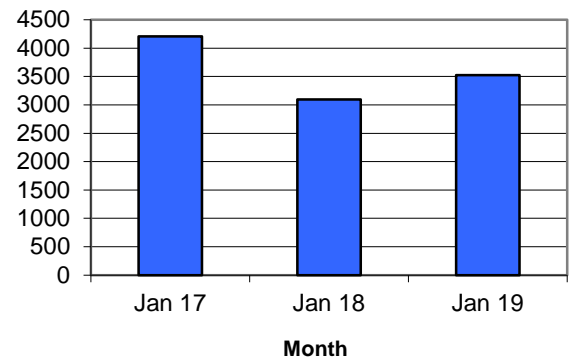
5. Business Support Overview

5.1 Community Facilities Operations

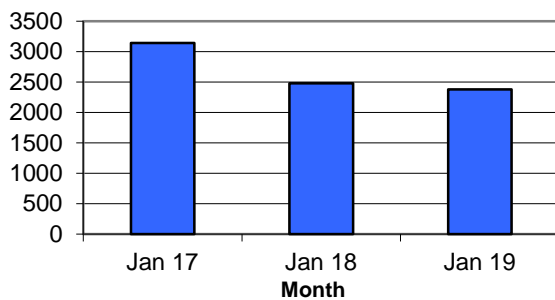
Te Aroha i-SITE
Number of visitors
Door counter



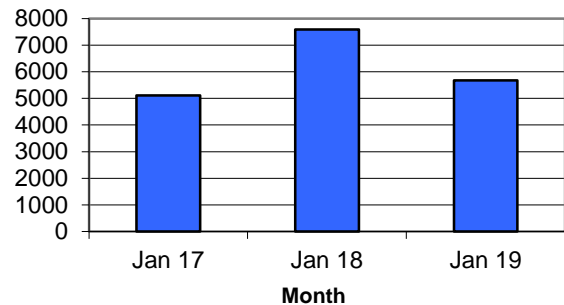
Swim Zone Te Aroha
Cash Register Reports
Number of visitors



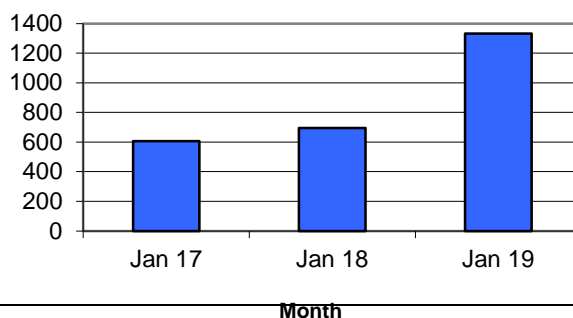
Te Aroha Mineral Spas
Cash Register Reports
Number of visitors



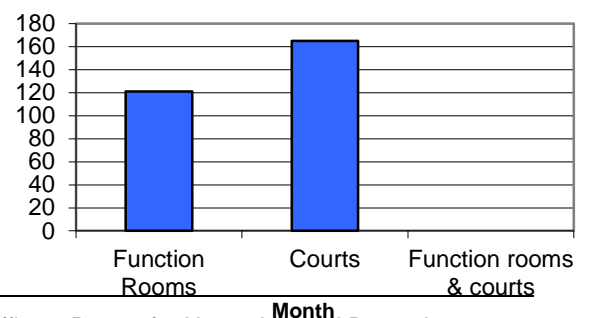
Swim Zone Matamata
Cash Register reports
Number of visitors



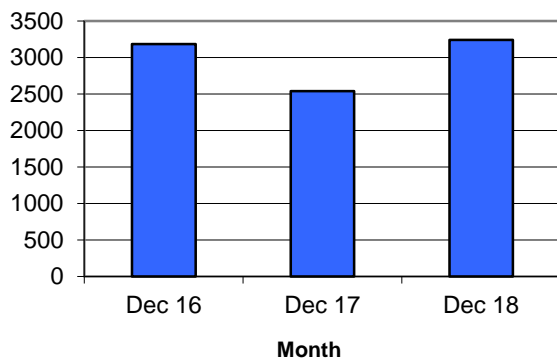
Firth Tower Visitor Numbers (manual count)



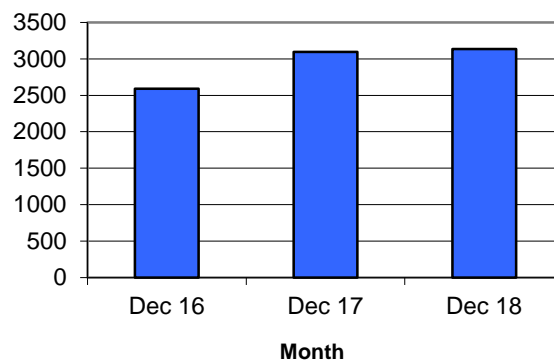
Silver Fern Farms Events Centre
Users & Spectators
November 2018



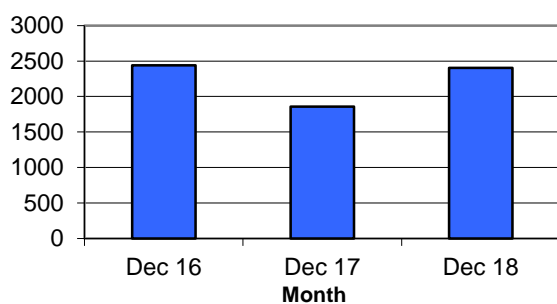
Te Aroha i-SITE
Number of visitors
Door counter



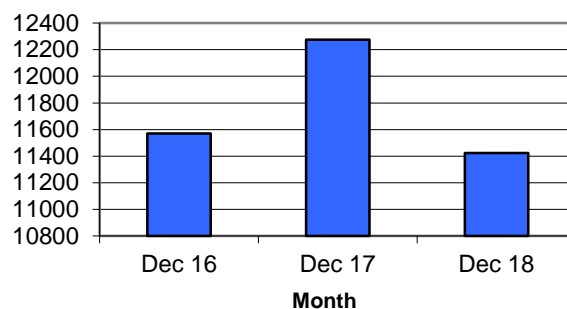
Swim Zone Te Aroha
Cash Register Reports
Number of visitors



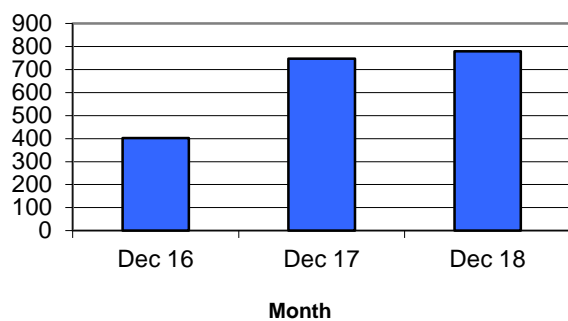
Te Aroha Mineral Spas
Cash Register Reports
Number of visitors



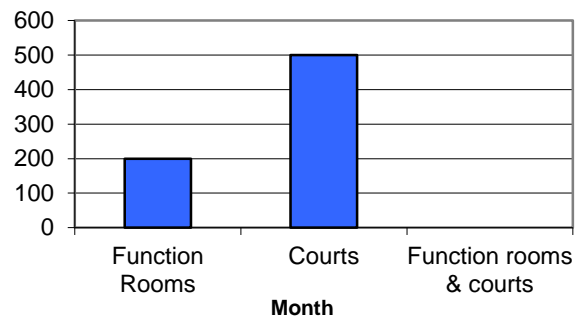
Swim Zone Matamata
Cash Register reports
Number of visitors



Firth Tower Visitor Numbers (manual count)



Silver Fern Farms Events Centre
Users & Spectators
December 2018



Te Aroha Mineral Spas

- The holiday period has been very busy for the Spas and Aroha Spa treatments.
- Geyser bore and hot water pipes have been serviced. New tank liner required for tank 2.

Firth Tower Museum.

- Campervans have made good use of overnight stays at the carpark area. The grass area behind the toilet block has been opened up for campervans to use during the summer period.
- Two weddings held in December.
- Maintenance work completed on exterior of Mc Caw homestead.

Swim Zone Matamata.

- The pools have been busy over the January period with hot weather bringing customers in.
- The spa pool is undergoing leakage repairs at present and it is proving to be difficult to locate the leak.

Swim Zone Te Aroha

- January school holidays was busy for the pools.
- Filter maintenance work completed. Increased bookings for school groups in December

Swim Zone Morrinsville

- Hot weather in January has resulted in good numbers of families and children using the pools. The behaviour of customers has been very good in this period.
- Change rooms upgrade work completed 7 December 2018
- 50 metre pool repainting completed. Reception building exterior painting completed.

Matamata Aerodrome.

- Model aircraft National championships were held at the aerodrome and venues from 4 to 7 January.
- Walsh Flying school was held from 11 to 25 January. Good weather allowed all students to achieve their flying targets. One heavy landing incident occurred with an aircraft sustaining damage but the student pilot was unharmed.
- Runway 10/28 reinstated to full length flowing turf repairs. November Gliding competition transferred to February 2019. ATC camps held for flight training and gliding

Te Aroha i-SITE

- **Visitor mix usual for this time of year – January:** Domestic 42%; International 58%.
- Lots of people traveling in rented campers and vans with request for freedom camping facility information (campers and tents). I-SITE NZ issued 'Kete of responsible camping' to hand out to freedom campers.
- **Visitor mix December -**
 - Nov - Domestic 79% / International 21%
 - Dec - Domestic 53% / International 47%
- Working with DOC to create new KMCP map and interpretive displays for i-SITE

Domain Pavilion – unavailable due to repairs

Domain House

- 80th birthday function
- Keas and Cubs temporarily in here until repairs at Domain Pavilion are complete
- Dec bookings – FABS Christmas lunch, MPDC planning team Christmas lunch, Wedding, Family Christmas celebration

5.2 Assets Strategy and Policy

Development contributions and LIMS

- Development Contributions processed - (24) Building Consents, () PIMs (1) Landuse Consents, (7) Subdivision Consents, (1) Outline Consent.
- () Special Assessments
- (44) Lim Enquiries

Parks & Facilities

- Staff met with a group that has an interest in historic hydro-electric power stations. They sought information about the historic Te Aroha hydro-electric scheme and visited sites at Hamilton Street and along the Tui-Domain Track.
- Staff met with Te Aroha Croquet Club to discuss edging of croquet greens. The preferred type of edging was agreed upon and various funding potential sources and sources of volunteer labour were suggested to the Club.
- A hui with Ngāti Hauā took place in Morrinsville to discuss the aerodrome management plan. Paul Wilson from Xyst Consultants led discussions on behalf of Council. A public notice calling for suggestions about the management plan is to be published in January. The draft plan is to be completed thereafter and brought back for approval prior to the call for formal submissions on the draft plan.
- The General Policies RMP was discussed at a Council Workshop. A report to come to Council early in the new year.
- Staff and Sport Waikato are planning a drop-in consultation session for Waharoa residents to seek community input into the future playground. A bilingual invitation letter has been developed and will be dropped to locals once the date for the drop-in session is finalised.
- MBIE funded freedom camping reporting project underway. We will be receiving a monthly report based on freedom camping app data for three months. In December 2018, 43,816 freedom campers passed through our District. The majority did not spend a night in our District. Of those that did stay over, the majority of 6,172 spent only one night.

Utilities

- Some progress has been made on reviewing the Business Continuity Plans for water and Waste. The Solid Waste Plan has been reviewed and updated.
- A draft of changes required to the District Plan to adopts the Regional Infrastructure Technical Specification document has been completed but now needs to go through the formal consultation process.

Roading

- Roding Staff were busy preparing and participating in the NZ Transport Agency Technical Audit. This Audit is only completed every 8 years and involves a review of how the Roding Activity is managed and whether there is value in Money in the planning and delivery of the roading activity. A draft report should be issued by NZ Transport Agency early this year.
- Work is continuing with Waikato Regional Council to establish a Stock Truck Effluent disposal contract for the site near the Kaimai's.
- Working on a submission for the Windfarm proposal in Hauraki District Council but which plans to impact on Council Roads and Bridges.

Customer Survey Results – Quarter 2 Oct – Dec 2018.

Note the quarterly dashboard is 2nd quarter data only not year to date. This is the first year we have asked respondents throughout the year, up until last year we had asked all 400 respondents in March each year so there will be seasonality differences. This is also the first year we are asking respondents both via landline phones and online, previously we have only asked via landline phones. The following is a quick comparison to illustrate the difference between the quarters and provide you with a year to date analysis against our Annual Report performance measures.

Increase in satisfaction

All measures have increased in satisfaction between Q1 and Q2, the biggest shifts were:

- increase of 44% satisfaction in management of flooding in urban areas
- increase of 25% satisfaction in aquatic facilities
- increase of 22% satisfaction in parks and reserves
- increase of 23% satisfaction with Councillors and Mayor

These Q1 results were very low compared to previous years, presumably because of the season.

Shift to 'very satisfied'

A very common trend between Q1 and Q2 is the increase in respondents saying 'very satisfied' rather than just 'satisfied' with the biggest shift happening in water supply with an increase of 43% saying 'very satisfied' and management of flooding in urban areas with an increase of 41% saying 'very satisfied'. An average increase across all 14 measures of 26% more saying 'very satisfied'.

Decrease in 'neither'

The majority of questions saw a decrease in 'neither' responses in Q2.

Online vs landline Responses

The difference between online and landline results is huge. Respondents via landlines are much more likely to be 'satisfied/very satisfied' than online respondents, across the 14 measures the average difference was 31%. The largest difference seen was in 'ease of access to Council information', 92% of landline responses were 'satisfied/very satisfied' compared to only 28% of online responses.

There is also a large difference in those that respond 'neither' or 'dissatisfied/very dissatisfied'. Respondents via landlines are much less likely to respond neither or 'dissatisfied/very dissatisfied' than online respondents, across the 14 measures the average difference was 15% for neither and 13% for 'dissatisfied/very dissatisfied'. The largest difference seen in 'neither' responses was in 'ease of access to Council information', 8% of landline responses said neither compared to 52% of

online responses. The largest difference seen in 'dissatisfied/very dissatisfied' was water supply, no landline responses received were 'dissatisfied/very dissatisfied' compared to 25% online.

- Currently on track to achieve performance measure
- ✗ Not on track to achieve performance measure

<u>Overall Satisfaction with Council</u> 17/18 total = 72% 18/19 Q1 = 56% 18/19 Q2 = 71% 18/19 YTD = 64%	<u>Satisfaction with Councillors and Mayor</u> 17/18 total = new measure (leadership) 18/19 Q1 = 55% 18/19 Q2 = 78% 18/19 YTD = 67% ✓
<u>Ease of Access to Council Information</u> 17/18 total = 65% 18/19 Q1 = 68% 18/19 Q2 = 76% 18/19 YTD = 72% ✓	<u>Opportunity to be Involved in Consultation Process</u> 17/18 total = 56% 18/19 Q1 = 52% 18/19 Q2 = 79% 18/19 YTD = 66% Reasons for dissatisfaction: Not enough communication and clarity. ✓
<u>Water Supply</u> 18/19 Q1 = 68% 18/19 Q2 = 85% 18/19 YTD = 77% Reasons for dissatisfaction: Poor taste and quality of water.	<u>Wastewater Network</u> 18/19 Q1 = 81% 18/19 Q2 = 94% 18/19 YTD = 88%
<u>Roading Network</u> 18/19 Q1 = 37% 18/19 Q2 = 41% 18/19 YTD = 39% Reasons for dissatisfaction: Lack of maintenance and occurrence of potholes.	<u>Library Services</u> 18/19 Q1 = 86% 18/19 Q2 = 89% 18/19 YTD = 88% ✓
<u>Aquatic Facilities</u> 18/19 Q1 = 55% 18/19 Q2 = 80% 18/19 YTD = 68% This question saw a large decrease in dissatisfied, a decrease of 21%, presumably related to the season and all pools being open closer to summer. ✗	<u>Kerbside Refuse, Recycling and Transfer Stations</u> 18/19 Q1 = 85% 18/19 Q2 = 86% 18/19 YTD = 86% ✓
<u>Cemeteries</u> 18/19 Q1 = 88% 18/19 Q2 = 92% 18/19 YTD = 90% ✓	<u>Management of Flooding in Urban Areas</u> 18/19 Q1 = 31% 18/19 Q2 = 75% 18/19 YTD = 53% This question saw a large decrease in 'very dissatisfied' responses, a decrease of 20%, presumably due to the season. Reasons for dissatisfaction: Drains regularly blocked in heavy rain with leaves.
<u>Parks and Reserves</u> 18/19 Q1 = 67% 18/19 Q2 = 89% 18/19 YTD = 78% ✓	<u>Sports Fields</u> 18/19 Q1 = 73% 18/19 Q2 = 79% 18/19 YTD = 76% ✓

Council Consents Received Report

Type(s): 100 - Resource Management , 101 - Subdivision , 102 - Landuse , 103 - Certificate of Compliance , 104 - Designations ,

Start Date: 01/01/2019

End Date: 31/01/2019



Printed: 15/02/2019

RC NUMBER	APPLICANT	DATE LODGED	CONTACT	ADDRESS	WARD	PROPOSAL	ACTIVITY STATUS	NOTIFICATION
102-2018-11525-2	J Swap Contractors Limited	16/01/2019	AECOM New Zealand Limited Hamilton	1 Pepper ST Matamata	Matamata Urban	Vary conditions to provide for an increase in office space and on-site parking	Discretionary Activity	Non Notified Application
102-2018-11615-1	Mr Ian Wallace	31/01/2019		Morgan RD RD 1	Matamata Rural	Construct a dwelling which will encroach the Rural Zone front set back requirement	Restricted Discretionary Activity	Non Notified Application
101-2018-11707-2	Whitegate Farm Limited	17/01/2019	GeoMetrix Limited	1280 Tower RD RD 1	Matamata Rural	Vary conditions to create an additional rural lot >40ha	Discretionary Activity	Non Notified Application
103-2018-11757-1	Galaxy Properties Limited	16/01/2019	Mr Brett Tracey	River View RD Morrinsville	Morrinsville Urban	Construct a dwelling (Lot 7) encroaching height in relation to boundary	Permitted Boundary Activity	Not Applicable
101-2019-11771-1	Mr Raymond Cox Ms Ainsley Cox	09/01/2019	GeoMetrix Limited	315 Manhire RD RD 4	Morrinsville Rural	Create non-complying rural-lifestyle lot via "two-stage" subdivision	Non Complying Activity	Non Notified Application
101-2019-11772-1	Ms Jocelyn Hale	10/01/2019	Dunwoodie & Green Surveyors	14 Churchill AVE Te Aroha	Te Aroha Urban	Residential Subdivision for 3 lots (2 additional)	Controlled Activity	Non Notified Application
105-2019-11773-1	New Zealand Transport	11/01/2019	Bloxam Burnett & Olliver Limited	7973 State Highway 27 RD 3	Matamata Rural	Alteration to State Highway designation Mangawhero St, SH27	Not Applicable	Non Notified Application
101-2019-11775-1	Blue Wallace Surveyors	24/01/2019	Blue Wallace Surveyors Limited	Kereone RD RD 1	Morrinsville Rural	Create two rural lifestyle lots and a rural balance lot to be amalgamated	Non Complying Activity	Non Notified Application
102-2019-11776-1	Branderson Homes Limited	17/01/2019	Branderson Homes Limited	214 Tower RD RD 1	Matamata Rural	Relocate a dwelling that will become an accommodation facility/second dwelling on the subject property.	Discretionary Activity	Non Notified Application
101-2019-11778-1	Mr Mike Rutz	18/01/2019	Align Surveyors	Kuranui RD RD 2	Morrinsville Rural	Create two Rural-Residential lots	Discretionary Activity	Non Notified Application
102-2019-11779-1	The Boltholder Limited	17/01/2019	Kinetic Environmental Consulting Limited	9 Farmers RD Matamata	Matamata Urban	Disturb and remove contaminated soil from a HAIL site	Restricted Discretionary Activity	Non Notified Application
104-2019-11780-1	Powerco Limited	22/01/2019	West Coast Planning Limited	30 Tower RD Matamata	Matamata Urban	To establish a new substation within two new buildings and remove the existing substation infrastructure.	Not Applicable	Not Applicable
102-2019-11782-1	Mr Jared Loveridge	22/01/2019	Mr Jared Loveridge	Morrinsville-Walton RD RD 1	Morrinsville Rural	Vehicle crossing that does trigger Resource Consent under rule9.1.2(ii)2.8	Discretionary Activity	Non Notified Application
101-2019-11783-1	Longlands Land Holdings	25/01/2019	Barr & Harris Surveyors Limited	80 B Burwood RD Matamata	Matamata Urban	Boundary Adjustment for retirement village	Controlled Activity	Non Notified Application
101-2019-11784-1	Mr Timothy Armstrong	29/01/2019	McCracken Surveys Limited	83 Coronation RD Morrinsville	Morrinsville Urban	For a Res Subdivision for one additional lot and concurrent land use	Controlled Activity	Non Notified Application
102-2019-11784-1	Mr Timothy Armstrong	29/01/2019	McCracken Surveys Limited	83 Coronation RD Morrinsville	Morrinsville Urban	For a Res Subdivision for one additional lot and concurrent land use	Controlled Activity	Non Notified Application
102-2019-11786-1	Open Country Dairy	29/01/2019	DCS	60 Factory RD Waharoa	Matamata Rural	Irrigate dairy liquids from OCD milk processing facility onto farmland across the District	Controlled Activity	Non Notified Application
102-2019-11787-1	Mr Ian Wallace	29/01/2019	Mr Ian Wallace	Morgan RD RD 1	Matamata Rural	Construct a shed which will encroach the front boundary setback	Restricted Discretionary Activity	Non Notified Application
102-2019-11788-1	Mr Richard Metcalfe	31/01/2019	Select Bridges Limited	183 Mowbray RD RD 1	Matamata Rural	Construct a replacement farm bridge over the Waiheke Stream	Discretionary Activity	Non Notified Application

Staff Long Service Presentation

Trim No.: 2111800

Executive Summary

Bryan Turner will be presented with a Long Service Award in recognition of 30 years' service to Matamata Piako District Council.

Sheree O'Brien will be presented with a Long Service Award in recognition of 25 years' service to Matamata Piako District Council.

Recommendation

That:

1. The information be received

Attachments

There are no attachments for this report.

Signatories

Author(s)	Meghan Lancaster Committee Secretary	
Approved by	Sandra Harris Acting Strategic Policy Manager	
	Don McLeod Chief Executive Officer	

Exclusion of the Public: Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Wairere Falls Carpark Funding

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. . s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). .	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.