



# HURUNUI DISTRICT COUNCIL

ANNUAL REPORT  
2009-2010



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Cover: Meeting of the Rams, by Amy Preston, [www.amypreston.co.nz](http://www.amypreston.co.nz)  
as presented at the 2010 Hurunui Arts Showcase

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# INTRODUCTION

## ABOUT THIS DOCUMENT

Each year under section 98 of the Local Government Act 2002, Council must produce a report containing audited Financial Statements. The report outlines:

- The investment and borrowing policy
- Accounting policy
- Performance results by groups of activity
- Financial performance details by groups of activity and
- The extent to which the objectives have been met during the year.

## OTHER DOCUMENTS

### *The Planning Cycle*

The diagram below shows how the Council’s planning procedures and documents fit into the planning framework.



## INTRODUCTION FROM THE MAYOR AND CHIEF EXECUTIVE OFFICER

We are pleased to present our Annual Report for the year ended 30 June 2010. The Annual Report records the activities undertaken by the Council over the past year and our financial performance and position to the end of June 2010. The report provides an opportunity for you to judge our performance in achieving the goals set out in the first year of our 2009 – 2019 Hurunui Long Term Community Plan.

It has been another difficult year with both the economic downturn and the need to respond promptly to resource management issues continuing to impact on our budgets. While this has tested our commitment to remain fiscally prudent, we are pleased, given the challenges of the previous 12 months, to have still managed our business and projects within the overall budget predicted in the Long Term Community Plan.

Some of the issues we have faced include:

### Planning and Building Income

As a result of the recession, the level of development in the Hurunui District has been lower than in previous years which have in turn led a lower level of activity for the Planning and Building Department's of Council. The income received for Planning, which includes Resource Consent processing, Subdivision Inspection and Processing of private plan changes, was \$295,490 for the year, \$159,260 lower than the level budgeted for. In Building Control, the amount of income received was \$465,038 which was \$48,562 down on the budget for the year.

### Development Contributions

The Council confirmed its Development Contributions methodology as part of the preparation of the 2009-2019 LTCCP resulting in projected income in 2009/2010 year of \$472,929. Actual contributions received were \$456,079, which is \$16,850 lower than anticipated. This is due to less building and development than predicted. In the district's main township of Amberley, a Development Contribution income of \$89,970 was budgeted, but only \$73,176 was received

### Expenses Incurred from Appeals

The Council was involved in defending a number of appeals to decisions made under the Resource Management Act 1991. The key appeal from Mainpower, in respect to their application for a Windfarm proposal on Mt Cass, incurred \$167,187 in external costs for the Council in defending its position. The Council also had to carry external costs totalling \$24,984 relating to Frost Fans, \$38,163 in costs relating to Plan Change 13 (Amberley Township) and a total of \$43,506 relating to the Hurunui Water Conservation Order. The cost of these appeals exceeded expectations at the time we prepared the Council's 2009/10 budget.

The Council has taken a number of measures to offset reduced income and trim costs where appropriate during the period of the recession. These include:

### Sale of US Bonds

To minimise the Council's exposure to its investments in bonds based in the United States, Council instructed management to actively seek buyers in the secondary market in order to sell the bonds ahead of their scheduled maturity date in 2012 and 2013. The US based bonds in Bank of America, Morgan Stanley and Merrill Lynch returned per annum interest at 7.53%, 6.86% and 7.16% respectively. They had a combined par value of \$1,500,000, but as at 30 June 2009, their fair value was \$1,382,384. The Council sold all the bonds in September 2009 for \$1,439,486, realising a gain on the fair value of \$57,102, but a loss on par value of \$60,514.

### Pools income

Through the Hurunui Long Term Plan process, the Council made changes to the financing structure for the Hanmer Springs Thermal Pools and Spa. This now allows the Council to utilise the interest earned from lending the Pools operation the funds required to carry out the \$7.5m expansion works, to offset general rates.

### Other cost saving measures

With the level of activity in the Building Control area lower than in previous years, the Council reduced the cost of employing Building Inspectors by seconding one staff member to work for Selwyn District Council to assist in building control work in that District. In other areas, we have not replaced all staff when they have left the organisation, but redistributed the work amongst other staff as much as possible.

### Restructure of financial information for Council Committees

Over the last two years, our Financial Services Manager has standardised the reporting of financial results to Council and its various Committees to ensure reports clearly identify costs associated with each of the relevant activities of Council as well as how each activity is funded. The reports also provide explanations of any key variances from set budgets.

### 2010/11 Rates setting

During the year under review, the Council undertook its budgeting processes for the 2010/2011 Annual Plan and with it, the proposed rates for the 2010/2011 year. Mindful of the need for affordability, the Council structured the budget to ensure the overall increase in rates was no more than 3%, which is equal to the average rate of inflation used in the preparation of the budget.

The future of Hurunui's water resources remains the most significant issue for our District. The Council approved a well supported Hurunui Water Management Strategy (HWMS), which sets out our vision for water. Building on this Strategy, throughout the last year we have been heavily involved in the Canterbury Water Management Strategy (CWMS), which we have now adopted. The Strategies are critical to the long term future of our district. In June 2010 the Council was the first in Canterbury to approve establishment of a Zone Water Committee under the umbrella of the CWMS to guide and support water management and use in our district.

We have opposed the granting of a water conservation order on the Hurunui River. While not disagreeing with the need for management or restoration of the environmental values of the River, we believe the CWMS and the new Hurunui-Waiiau Zone Committee must have all options and tools available to them to develop the integrated zone programme to achieve all environmental and development targets.

Progress on a number of key issues and projects signaled in the first year of the Hurunui Long Term Community Plan, are highlighted below;

#### Flooding, Drainage & Stormwater

Following the floods of 2008 the Council committed \$850,000 to improving the stormwater infrastructure across the Amberley Ward, and in the past year we:

- Completed the Lawcocks Road stormwater diversion work which proved its worth in heavy rains in June 2010.
- Repaired the Dock Creek flood control gate and carried out maintenance throughout the Amberley Ward area.
- Lodged resource consents for global consent and for works associated with the Eastern Drain, Dry Gully, Stanton Road, and opening lagoon mouths, with the physical works all planned. This work continues in the 2010/11 year.
- Largely completed, within the financial year, the Leithfield Beach outfall which also passed its first test during heavy rains and seas in June 2010.
- Extended funding for the stormwater upgrades over a 30 year period (rather than the 20 years planned in our long term plan) to make them more affordable.

#### Roading

Despite a recovering national economy, escalating costs and the negative impacts of the 2008 flood events, which meant we were still working to get our infrastructure back in good order at the beginning of the financial year, we managed to complete all scheduled works on our 2009/10 programme, on time and on budget; however funding changes resulted in Council spending \$600,000 less on Capital works than what was budgeted for in the LTCCP.

This included:

Resealing of 40 kilometres of road; safety improvements to the intersection of Argelins and Woodbank Roads in Hanmer Springs; embankment stabilisation along Campbell Terrace at Motunau Beach; river diversion works at Lulu's Creek on the Inland Road; flood damage repairs to Arkles Bridge on the Happy Valley Road, and; installation of school active warning signs on Douglas and Lawcocks Roads outside Amberley Primary.

#### Amberley Township Development

After much consultation on the future development of Amberley Plan Change 13 became operative in January 2010, ensuring a substantial supply of land is available for future residential development in the town. Work also began on planning the upgrade of the town centre.

In February 2010 the developers promoting "Brakenfields" were granted a non notified consent for a new shopping centre, including a supermarket in Amberley. The developers have yet to make a public announcement on the timing of the development.

New industrial zoning for land in Grays Road was identified, through Plan Change 25. Following public consultation the Council subsequently heard the plan change in August 2010, releasing a decision the following month confirming the decision to rezone the land.

#### Hanmer Springs Township Development

The Hanmer Springs township development project, which began early in 2010, is due for completion by the end of the year. The project, aimed at improving the appearance and infrastructure of Hanmer Springs, has an increased budget of \$1.45 million. Hanmer Springs Thermal Pools and Spa.

We have been encouraged by the strong and continued increase in visitor numbers and revenues at the Hanmer Springs Thermal Pools and Spa. The \$7.5m expansion project for the complex began, with work to be complete by the end of 2010.

### Former Queen Mary Hospital Site

The Queen Mary reserve was finally vested with Council in August 2010. An Early Access Agreement was drawn up earlier in the year in order for refurbishment works, involving essential repairs, to commence on the three buildings on the Queen Mary site. The Crown paid over \$1.5m to Council in May 2010 for works associated with the Nurses Block. A Queen Mary Historic Reserve Planning Stakeholder Group was formed and commenced work on the reserve plan for the historic reserve, which will be consulted on in the 2010/11 year.

### Medical Services

A tender was let for a new medical centre in Rotherham to replace the old Amuri Community Health Centre. Time taken to secure the new site and contract out the work has delayed construction with the \$1m project now due to be completed by the end of 2010.

### Solid Waste and Recycling

As a result of entering into a range of contracts with Solid Waste Contractors, a \$62,506 reduction in operating costs for all Solid Waste areas (including the operation of the transfer stations, township litter bin collections and household refuse collection) over the previous year was achieved.

### Biodiversity

We have made significant inroads into establishing a voluntary and co-operative partnership with landowners where we work together in a non-regulatory framework to maintain and enhance the unique natural value of the district. The newly appointed Biodiversity Ambassador is involved in raising awareness around biodiversity values and issues generally, and providing support and advice to landowners with ecologically significant sites.

Along with Mainpower, we provided \$25,000 in funding support for voluntary works that benefit the natural environment, protect or reinstate indigenous sites, or improve preservation or understanding of our native heritage, through the Hurunui Natural Environment Heritage Fund.

### Reserve Management Plan Grants

The Council distributed \$75,000 of grant funding for a variety of reserve projects throughout the district. The grant funding was distributed equally between the six communities of interest through the District.

### Library Review

An independent review of the Hurunui District Libraries in March 2010 confirmed our network is performing well, running efficiently and that our libraries, staff and volunteers are highly regarded by residents. Identified areas for improvement are being pursued.

### Legal Services

Our legal services needs were reviewed and tendered. Twenty legal firms throughout New Zealand expressed interest, with Buddle Findlay ultimately appointed as Council's primary legal provider for a three plus three plus three term from April 2010.

### Tourism Strategy

The former 'Alpine Pacific Tourism Board' was replaced with a new Hurunui Tourism Board and the tourism budget restructured; with a focus on maximising marketing spend. As a result, an additional \$130,000 has been directed into tourism marketing spending rather than overhead and employment costs. A marketing strategy has been agreed and a tourism strategy drafted.

### Broadband

The Council continued to advocate for broadband services in the district, via its economic development arm, Enterprise North Canterbury. In July 2009 the Mayors of Hurunui and Waimakariri and the Chair of ENC wrote to the Hon Steven Joyce, Minister for Communications and Information Technology promoting the prioritisation of the roll out of fibre based broadband to locations, businesses and individuals who create wealth, and who can significantly increase New Zealand's productivity and export earnings. This is because, in our view, when available resources are limited, it is poor strategy to waste infrastructure spend by providing fibre based broadband to consumers for entertainment or other non wealth creating purposes. We further promoted there should be no distinction between urban and rural New Zealand in Government's assistance in the rollout of broadband.

In May 2010 a status report noted Telecom Undertakings will deliver fast broadband to those parts of North Canterbury within 4kms of an exchange, and super-fast broadband in Amberley and Hanmer Springs by December 2011. The first stage of a Government two stage bidding process for the provision of enhanced broadband in rural areas closed at the end of May 2010. The policy aims to deliver ultra fast broadband to all rural schools and fast broadband to households and enterprises over a ten year period. Final tender proposals are now being sought by November 2010.

### Government Funded Projects

It is also worth noting the support we have received from Central Government towards our community programmes.

- The Hurunui Youth Programme (HYP) received \$86,000 to enable the programme to continue for a further 2 years.
- Through the 'Community Max' scheme, we employed a young person for six months to digitise histories and stories for a web based programme, called a 'kete'.
- A Biodiversity Ambassador position has been funded to implement the Council Biodiversity Strategy. The focus of this role is to increase awareness of the districts unique flora and fauna by working with private land owners and schools to source funding for restoration projects; regular features in the Hurunui News; involvement in educational programmes and partnering with the Greening Waipara and Weedbusters projects.
- In June 2010, \$80,000 per year was granted for three years for a Community Development scheme to be undertaken in the Hurunui District. The actual programme will commence in the 2010/11 year.

Our Council has worked hard under often challenging conditions as our economy struggles to recover from the recession, to deliver for you, our ratepayers, both in terms of financial prudence and service delivery. It is therefore pleasing to see our recent resident satisfaction survey highlighting an upward trend in resident satisfaction with our work.

You rated our overall performance at 83% in 2010, up from 79% in 2009 and the level of satisfaction in performance from our Council offices increased to 78% (up from 70% in 2009). Improvements were also evident in most surveyed areas, particularly in the main infrastructure areas of water and roading.

We would like to acknowledge the work of all elected members and staff who have contributed to our success as a Council over the 2009/10 year.

An important aspect of this Annual Report is also to comment on the progress we have made and to provide analytical data on how we meet and compare with the community outcomes we agreed to, as set out in the Hurunui Long Term Community Plan 2009-19.

92.5% of the indicators show we are on our way to achieving these outcomes; we are either doing 'okay' or we are 'doing well'. Only a few indicators indicate we are not doing as well as we would like, such as voter turnout at local government elections, the number of people in the district receiving means tested benefits, the number of hospital admissions and road crashes.

Generally many of our indicators, including the not so positive results, follow national trends and in several cases, reflect the economic downturn of the recession. Overall we are making a progress, with positive results in reaching our six Community Outcomes.



W Dalley  
MAYOR



A Dalziel  
CHIEF EXECUTIVE OFFICER



## DISTRICT COUNCIL OFFICES

Main Office	<p>Hurunui District Council          66 Carters Road          P O Box 13          Amberley          Telephone (03) 314 8816          Facsimile (03) 314 9181          Email: info@hurunui.govt.nz</p>
Service Centre	<p>Cheviot Service Centre          39 Hall Street          Cheviot          Telephone (03) 319 8862          Facsimile (03) 319 8861          Cheviot Toll Free to Amberley 319 8812</p>
Service Centre/Libraries	<p>Amuri Service Centre/Library          School Road          Culverden          Telephone (03) 315 8946          Facsimile (03) 315 8946          Culverden Toll Free to Amberley 315 8400</p>
	<p>Hanmer Springs Service Centre/Library          49 Amuri Avenue          Hanmer Springs          Telephone (03) 315 7912          Facsimile (03) 315 7914          Hanmer Springs Toll Free to Amberley 315 8400</p>
Auditor	<p>Audit New Zealand, Christchurch          On behalf of the Controller and Auditor General</p>
Banker	<p>Westpac Banking Corporation</p>

## COUNCIL MEMBERS

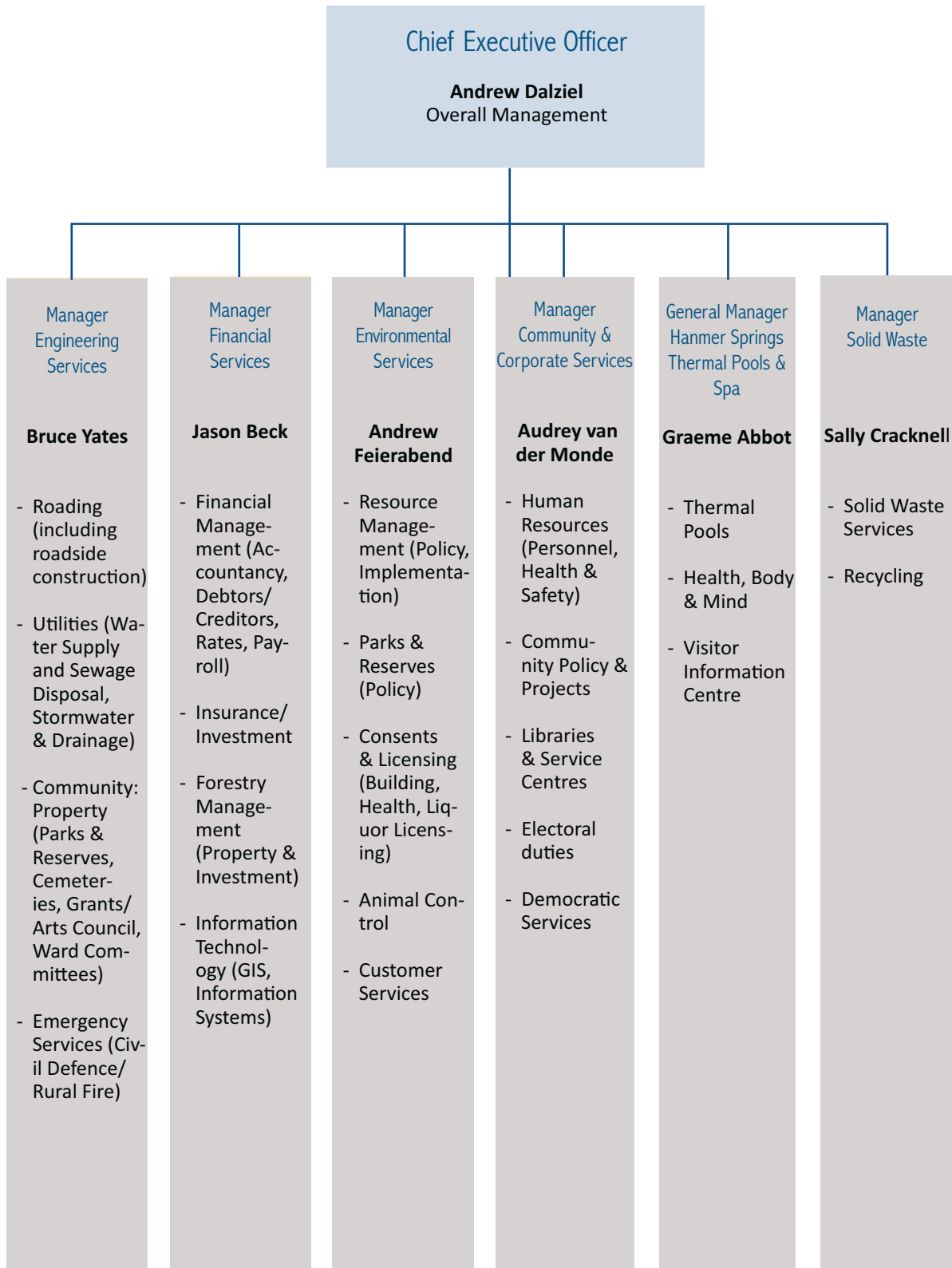
\*As at 30 June, 2010

Mayor (elected by District residents)	Garry Jackson
Deputy Mayor (appointed by the Council from elected members)	Michael Malthus
Amberley Ward Councillors (elected by ward residents)	Andrew Smart Julie Coster Russell Black
Amuri-Hurunui Ward Councillors (elected by ward residents)	Judy Meikle Wendy Doody Winton Dalley
Cheviot Ward Councillor (elected by ward residents)	Vince Daly
Glenmark Ward Councillor (elected by ward residents)	Kerry Prenter
Hanmer Springs Ward Councillor (elected by ward residents)	Michael Malthus

## HANMER SPRINGS COMMUNITY BOARD

Chairperson (Appointed by Board from elected members)	Rosemary Ensor
Members	Andrew Cameron Conrad Wilkshire Cr. Michael Malthus Nicholas Cowie Garth Smith

## MANAGEMENT TEAM



## ACHIEVEMENT TOWARDS HURUNUI LONG TERM COMMUNITY PLAN

### Performance

No major variance from the strategic directions from the Hurunui Long Term Community Plan. The Council recorded a Net Surplus after tax at \$3,003,000 whereas the budgeted surplus after tax was \$2,674,000.

### Significant Variations / comments

The major reasons for the surplus for the Council being \$329,000 greater than the surplus predicted in the HLTCP.

#### Revenue:

Revenue was \$45,000 over budget, the key variances being:

- Regulatory Income, particularly income generated by Resource and Building Consents, were \$355,000 lower than the budget set.
- This was offset by the increase in the forestry valuation of \$503,000.

#### Expenditure:

Expenditure was \$311,000 lower than budget, the key variance being:

- Cost of Depreciation was \$533,000 lower than budgeted for.
- No interest cost was incurred, whereas the budget had allowed for external interest of \$286,000.
- Costs relating to Regulatory were \$304,000 greater than budgeted for due to external costs relating to the Mainpower Appeal, Water Conservation Order, Plan Change 13 and Frost Fans, all of which were not budgeted for.

## COST OF COMPLIANCE

A significant amount of Council's costs are attributable to compliance with legislation and consent conditions. The following is a listing of only some of the costs that Council has incurred during the 2009/2010 financial year that relate to compliance.

### Compliance with the Local Government Act 2002

1. Costs in preparation of the Council's 2010/2011 Annual Plan::
  - External Costs relating to Asset Management Plans
    - Water \$16,304
  - External costs in developing and reporting on the community outcomes through an annual residents survey \$17,400
  - Staff and Councillor's time in preparing and consulting on the Annual Plan estimated to be in excess of \$250,000.
  - As Council did not prepare any amendments to the 2009-2010 LTCCP, there were no additional auditing costs incurred.
2. Costs in preparation of the Council's 2009/2010 Annual Report:
  - Audit fees \$88,144
  - Staff time in preparing the Annual Report estimated to be in excess of \$100,000.

In addition to the direct audit costs of Council, the audit fees for Enterprise North Canterbury, which Council holds a 50% investment, was \$5,921 and for Hurunui Holdings Limited, which is wholly owned by Council, the audit fee was \$1,500.

### Compliance with Canterbury Regional Council Resource Consents

Council has approximately 101 separate Resource Consents with the Canterbury Regional Council with over 700 separate conditions to be complied with. During the 2009/2010 year the external costs were as follows:

- Environment Canterbury Consent Charges \$66,258
- Water Quality Testing Costs \$61,457

### National Dog Database

The Council is required to pay a share of the National Dog Database to the Department of Internal Affairs. For the 2009/2010, the Council's share was \$2,382.

### Remuneration Authority

The Remuneration Authority is responsible for determining the level of remuneration paid to the elected members of the Council. The cost of the authority doing this is apportioned to each Local Authority. For the 2009/2010 year, the cost to Council was \$1,984.

### Other Internal Costs

Each year, the Council is asked to complete numerous surveys for Government Departments such as the Ministry of the Environment, the Department of Internal Affairs and Statistics New Zealand, NZTA and Archives New Zealand. In addition, the Council is required to supply information when requests are received under the Local Government Official Information and Meetings Act (LGOIMA). This normally involves staff time in researching issues relating to the requests and preparing responses.

# COMMUNITY OUTCOMES

## INTRODUCTION

The term 'Community Outcomes' is used to describe what people in our community want to happen now and in the future for the benefit of not only today's people, but future generations. Community Outcomes are about improving the well-being of our communities over time in a sustainable manner. The term 'community well-being' is used to cover the following areas:

- Economic Well-being
- Social Well-being
- Cultural Well-being
- Environmental Well-being

Community Outcomes are developed to enable both the community and the Council to deliberately work towards achieving positive results to benefit the community and help ensure a better future. The purpose of focusing on economic, social, cultural and environmental well-being is to achieve overall community well-being.

The Community Outcomes identified by those interested in the Hurunui District will guide not only Council's planning, but also influence planning across all sectors of the community including government departments.

### Identifying the Community Outcomes

Council undertook a process to identify what our communities consider important for the future of the Hurunui District. As a result, six high level outcomes were identified. These are shown on the following pages.

To identify what people consider vital in terms of economic, social, cultural and environmental well-being, we undertook a survey in early 2005, giving the opportunity for every household as well as 138 key organisations and community groups to rate each outcome according to their own level of importance. This assisted with prioritising the outcomes. We published the results and asked for your feedback, after which, we were satisfied that we had captured what is important to our communities.

### Achieving the Community Outcomes - Contributing Organisations

Although we have a key role to play, it is important to understand that Councils are not solely responsible for achieving the Community Outcomes. Everyone in the community has a part to play. We are, however, a critical provider of services and amenities and have a responsibility towards the well-being of our district, therefore we have a contribution to make towards the achievement of Community Outcomes, with more involvement in some than in others.

Other organisations and groups also have a part to play towards achieving the outcomes. Many organisations have already indicated that they want to work with us. Rather than each Council working in isolation to achieve similar results, where possible we collaborate and coordinate efforts with our neighbouring councils as we are often dealing with the same organisations and government departments.

Following are detailed descriptions of our six Community Outcomes, how we will achieve our objectives, what information we have collected to measure our progress towards the desired outcomes and what that tells us about our community's wellbeing.

Note that annual data is not available for every measure. For many indicators, we rely on data from sources external to the Council. In each case we endeavour to report the most recent information available. The Council does conduct its own annual survey of residents views on a number of key issues, but it is not possible to question residents about every relevant issue every year - there are simply too many issues. We look to report on each key issue that we have identified at least once in every 3 years.

### Opportunities for Māori to contribute to the decision-making process

In July 2004, the Council entered into a Memorandum of Understanding (MOU) with Te Rūnanga o Ngāi Tahu, Te Ngāi Tūāhuriri Rūnanga and Te Rūnanga o Kaikōura, agreeing that it will work together with these groups to develop appropriate processes that will allow Council to fulfil its statutory responsibilities whilst recognising Ngāi Tahu as the tangata whenua. The Council and Runanga representatives are currently reviewing its working relationship to improve and enhance this further.

## Community Outcome 1:

## "A DESIRABLE PLACE TO LIVE, WORK AND PLAY"

To make progress in relation to this outcome we need:	We will know we are succeeding when:	Progress will be measured using these key indicators:
Strong sense of community that gives people a sense of belonging and encourages them to take part in local activities, to support essential volunteer services, and to be involved in local consultation and decision making	People are involved with their local community	1.1 Percentage of people in paid employment 1.2 Number of volunteers helping outside the home 1.3 Degree people feel a sense of community with others in the local neighbourhood 1.4 Perceptions of people about their quality of life
	People actively participate in public decision making	1.5 Voter turnout at local government elections 1.6 Number of people involved in Council meetings, committees and submissions to Council 1.7 Level of confidence in Council's decision making in the past year 1.8 Degree of understanding of Council's decision making
Attractive, well designed villages that present a positive image encouraging people to live in and visit the area	People feel the Hurunui district is an attractive place to live	1.9 District population and growth rate 1.10 Perception of attractiveness of townships and villages 1.11 Perception of use of subdivisions, coastal environment, Hanmer Basin and Hurunui lakes
Opportunities in leisure, art and cultural activities	People participate in these activities	1.12 Participation in leisure, arts and cultural activities 1.13 Involvement in physical activities, including barriers
Effective planning for future development but ensuring the preservation of local heritage and rural uniqueness	Our heritage is protected for future generations	1.14 Number of Heritage sites and buildings

The following pages demonstrate how we are progressing against the 14 key indicators listed in the above chart.

The following key is used to show how we are going against each measure:



This face indicates where the levels and trends in the data indicate that we are not doing as well as we could be and action may need to be taken, either to investigate the problem more fully, or to take action to remedy it.



This face indicates where the levels and trends in data indicate that we are doing OK but that there is room for improvement. This may require action or just continued monitoring.



This face indicates where the levels and trends in the data show that we are doing well in this measure.

Indicator 1.1

**Percentage of people in paid employment**

Relevance

The number of people in paid employment can help to identify if the District is a desirable place to work. It is also usually considered that desirable areas to live are those with low levels of unemployment.

Limitations

Data for the Hurunui District is only updated at Census time (5 yearly intervals), and is at a high level only, so for example it does not break down further from those “not in labour force” to show how many were unable to work due to disability, those retired or those who are not actively seeking work. It also does not show how many residents living in the District work outside the District. This data was last updated five years ago and there have been major changes in New Zealand’s economy over the couple of years, which has seen increases in unemployment. An updated report from Stats NZ shows between 2008-2009 state filled jobs decreased by 2.8% nationwide.

N.B. The unemployment level shown here is as a percentage of the total population aged 15 and over, not the unemployment rate as calculated by Statistics New Zealand from the labour force only.

Current Level and Trends

Over the last 10 years, the rate of unemployment in the Hurunui has been significantly less than the national average. This rate (as with the national average) has also reduced over time.

The rate of employment (both full and part-time) in the Hurunui has slowly risen since 1996, and is also at higher level than the national average, with a corresponding decrease in those not in the labour force.

The labour force participation rate is also discussed in Indicator 3.2 and should be considered in conjunction with this indicator.

Conclusion

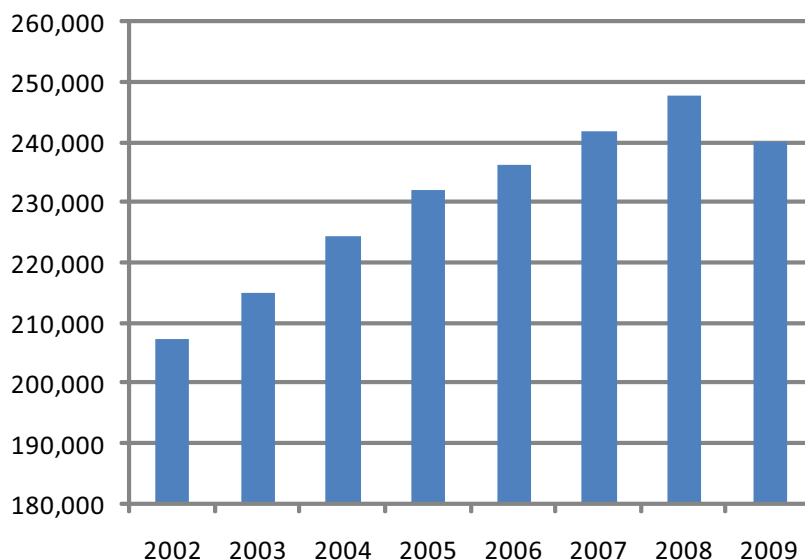


As compared to the New Zealand average, more people within the District are involved in paid employment, and less are unemployed. Taking into account the limitations of this indicator, this information and the current trends suggest that there are many employment opportunities available and that the District provides a desirable place to both live and work in.

**Labour Force Status**

	1996		2001		2006	
	Hurunui	NZ	Hurunui	NZ	Hurunui	NZ
Employed Full-Time	48.2%	45.0%	50.1%	46.0%	52.0%	48.4%
Employed Part-Time	17.0%	13.6%	16.6%	13.8%	17.2%	14.4%
Unemployed	3.1%	4.9%	2.7%	4.8%	1.6%	3.4%
Not in Labour Force	30.4%	33.5%	29.0%	32.3%	26.5%	30.4%
Not Specified	1.3%	3.0%	1.8%	3.1%	2.8%	3.4%

**Filled jobs in Canterbury 2002-2009**





## Indicator 1.2

**Number of volunteers helping outside of the home**

## Relevance

The number of volunteers helping outside of the home gives an indication as to the extent to which our District has a strong sense of community that gives people a sense of belonging, encouraging them to take part in local activities.

## Limitations

Comparative data from other regions is limited, which limits the extent to which we can judge how well we are doing, but results from the 2006 census shows a higher level of volunteers helping outside the home than our surrounding Districts.

## Current Level and Trends

The Hurunui District had 30% of surveyed residents who are helping someone who is ill or has a disability outside of their own household and other help, or voluntary work through any organisation, group or marae. The Waimakariri District had 22%, Christchurch City Council had 21%, Kaikoura District had 24% and the Marlborough District had 23%.

## Conclusion



This indicator will need to be considered after the next census in order to get an idea as to trends in this area, but the overall increase is positive, and, from a subjective viewpoint, numbers in the various services seem to be good.

## Indicator 1.3

**Degree people feel a sense of community with others in the local neighbourhood**

## Relevance

Neighbourhoods with higher levels of community tend to have better health outcomes. It also indicates that people are happy living in the community and makes it an attractive place to live.

## Limitations

No historical data is available. This indicator will be more informative as we accumulate data over time.

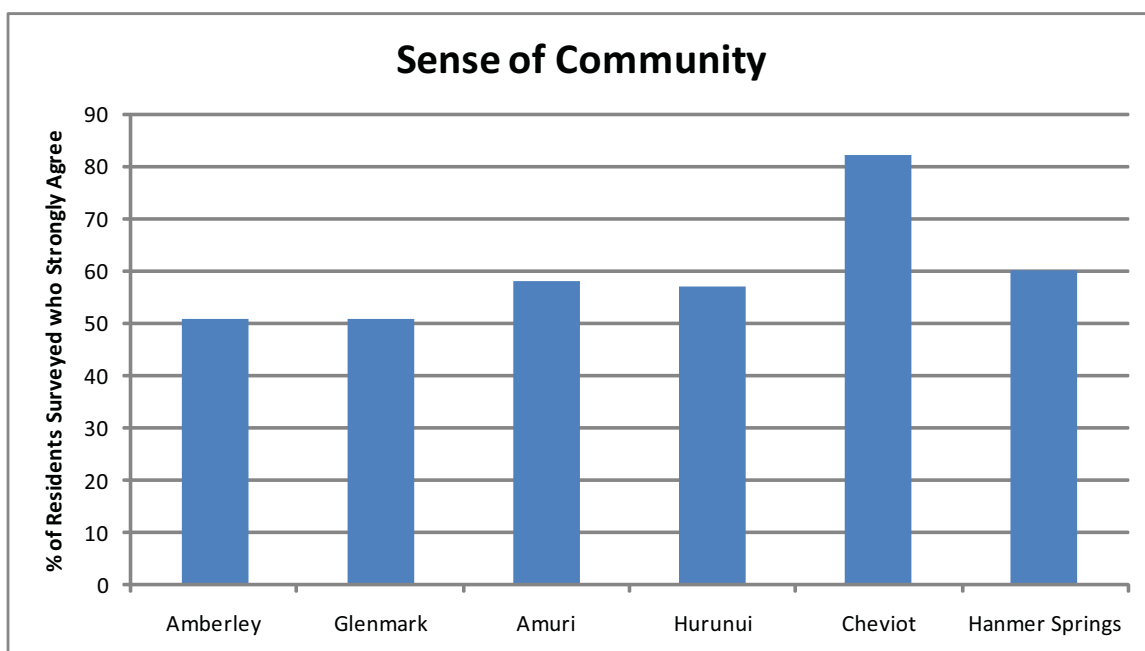
## Current Level and Trends

In the resident survey 2009, 89% of people surveyed said that they felt a strong sense of community. There is no historical data, which makes it difficult to compare the data. Cheviot residents have a very strong sense of community with 82% strongly agreeing. Glenmark and Amberley had the lowest percentage of residents strongly agreeing with just over 50%, although this is still a fairly high percentage.

## Conclusion



89% agreeing is a high percentage of residents and can be considered a good result. Clutha district Council asked the same question in a residents survey and the result showed that 81% agree that there is a strong sense of community.



Indicator 1.4

**Perception of how people feel about their quality of life**

Relevance

Feelings of a good quality of life indicate that people in the district are happy or satisfied overall with life in the district.

Limitations

No historical data is available, except for the results from the 2009 residents survey. It is a general measure and does not give us any data on individual factors which may affect the way in which people perceive their quality of life.

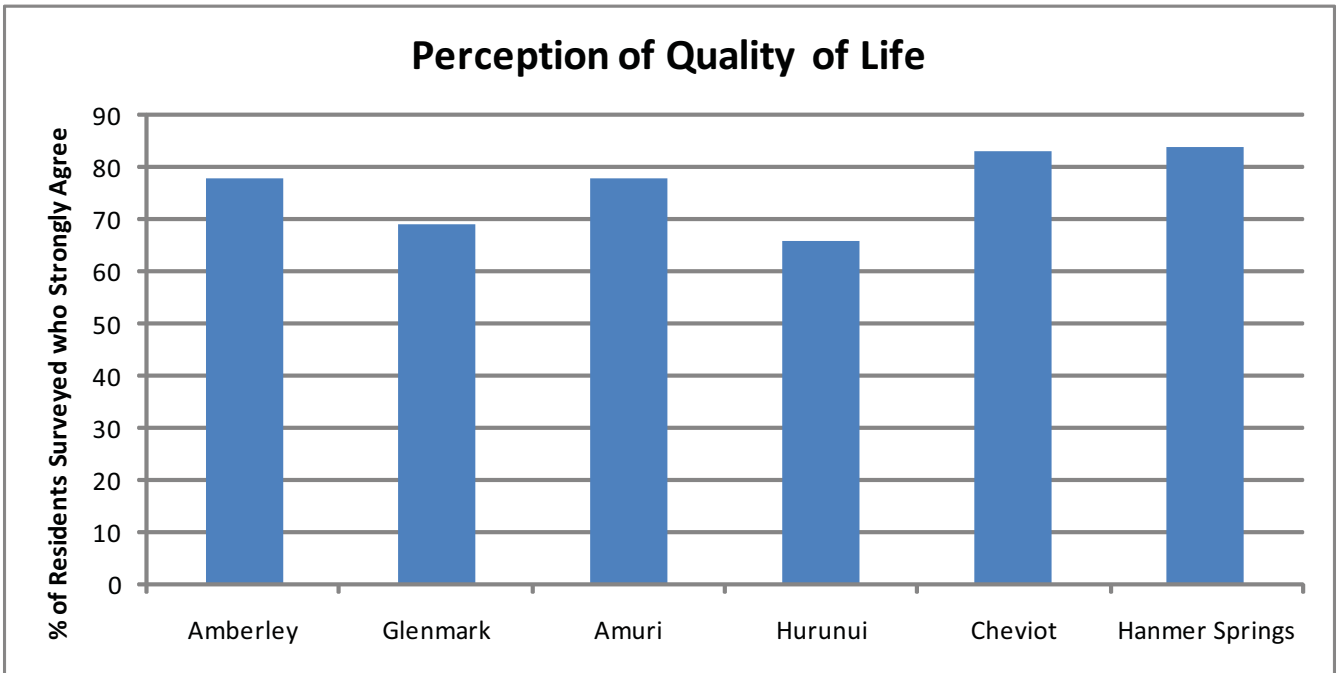
Current Level and Trends

In 2009 97% of residents surveyed agreed that they have a good quality of life in the district. In all wards more than 65% of residents strongly agreed that they have a good quality of life.

Conclusion



This result shows that people living in the Hurunui are generally happy with their quality of life. It will be interesting to see if over time the level of happiness remains high in the district.



Indicator 1.5

**Voter turnout at local government elections**

Relevance

The number of people who exercise their voting rights is one way to demonstrate that the community is participating in decision-making and therefore wish to have a say about what goes on in their district.

Limitations

This measure needs to be used in conjunction with other indicators in this report to show the connection between involvement in local decision-making and the desirability of the District.

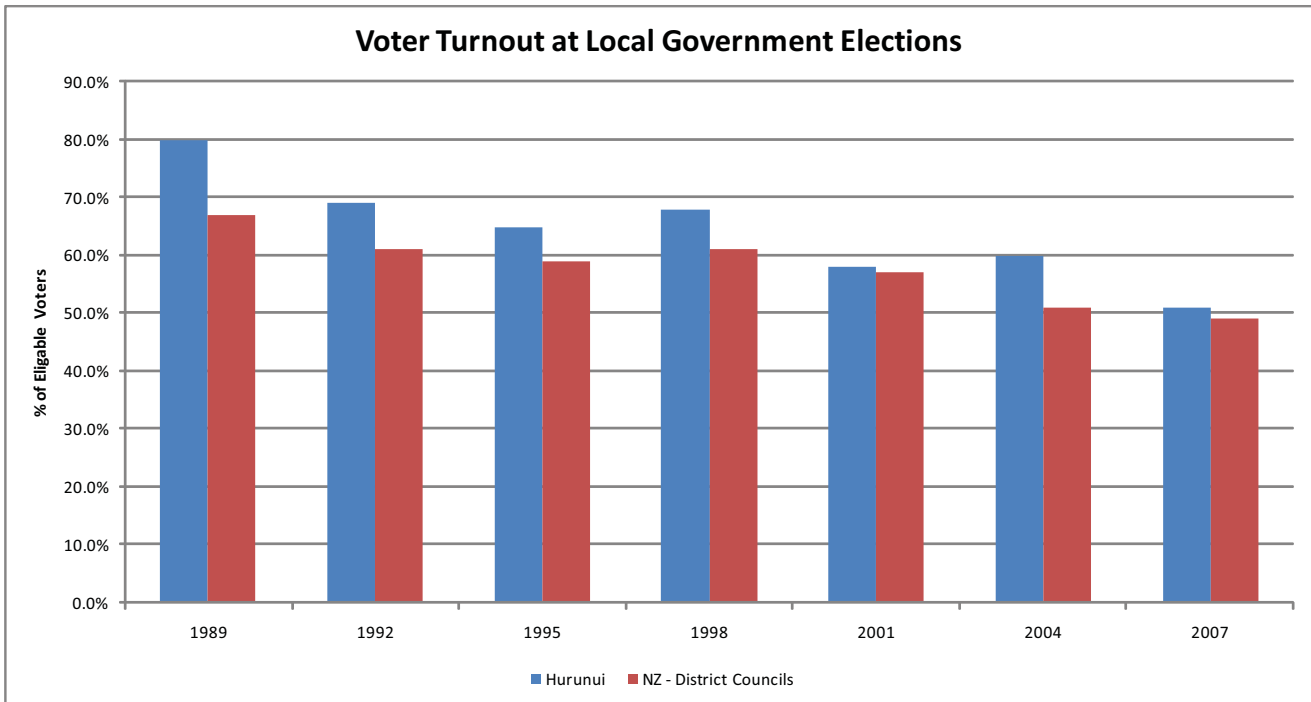
Current Level and Trends

Over the last 6 elections, the proportion of all enrolled electors who cast a vote in the Hurunui District Council elections has decreased from a peak in 1989 of 80% to 51% in the last election in 2007. The voter return this year was 52.74%, being 4,123 voting papers, excluding special votes. A comparison to the average for all district councils in New Zealand has been made as the percentage rates for this are higher than voter turnout percentages for regional and city councils, community and district health boards. Hurunui has scored consistently above the average for all district councils in New Zealand until now, but its level for 2007 fell to a level similar to that of other district councils.

Conclusion



Hurunui has been experiencing an overall decrease in voter turnout at local government elections, and turnout at the last election was only 51%. This percentage of voter turnout brings Hurunui into line with the overall results for other District Councils, but their rate of decrease to get to this level has been faster than for these Councils. Elections will be held shortly as the next Triennial Local Government elections end on the 9 October 2010, which will provide the opportunity to measure the voter turnout compared to previous data. Ideally we would like to see the level of voter turnout increase.



Indicator 1.6

**Number of people involved in Council meetings, committees and submissions to Council**

Relevance

People’s involvement in Council activities can demonstrate their desire to influence decision-making, which is likely to be driven in part by a desire to ensure that their district is managed in such a way that it is a desirable place to live, work and play in.

Limitations

While this indicator demonstrates participation in Council processes, it does not tell us why this participation is occurring. A high level of participation could demonstrate that the current situation is acceptable and that there is a desire to keep it this way and enhance it, or it could demonstrate dissatisfaction and a desire for change.

Current Level and Trends

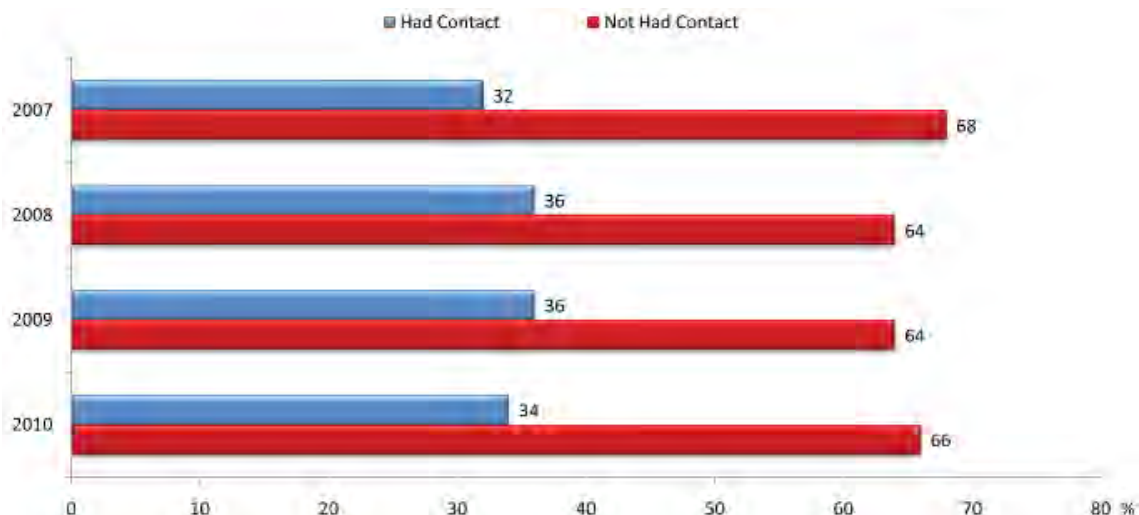
In a survey conducted in February 2010, 34% of people interviewed stated that they had contact with the Mayor or their local Councillor, or attended a Council committee meeting within the 12 months previous. Since 2007, there has been a general increase, varied between wards with Cheviot, Hurunui and Hanmer Springs showing an increase up until 2009, show a decrease in the last 12 months. Glenmark, Amuri and Amberley have shown a consistent level of contact and attendance over the past three years.

Conclusion



Based on comparable questions in other local Council surveys, this is a high rate of participation from members of the public. It will be interesting to see whether this level of participation, and especially the trend towards an increase in participation, continues, as this runs contrary to the trend identified in the previous indicator.

**Contact with Mayor or Councillors or Attendance at Council or Committee Meetings in Last 12 Months**



Indicator 1.7

**Level of confidence in Council's decision-making in the past year**

Relevance

If there is public confidence that Council makes decisions that are in the best interests of the District, this indicates that the District is a desirable place to live, work and play.

Limitations

A question was not specifically asked in the equivalent Hurunui District Council survey in 2010 about the confidence in Council's decision making, however, the question was asked "how satisfied are you with the overall performance of the Hurunui District Council's Mayor and Councillors?"

Current Level and Trends

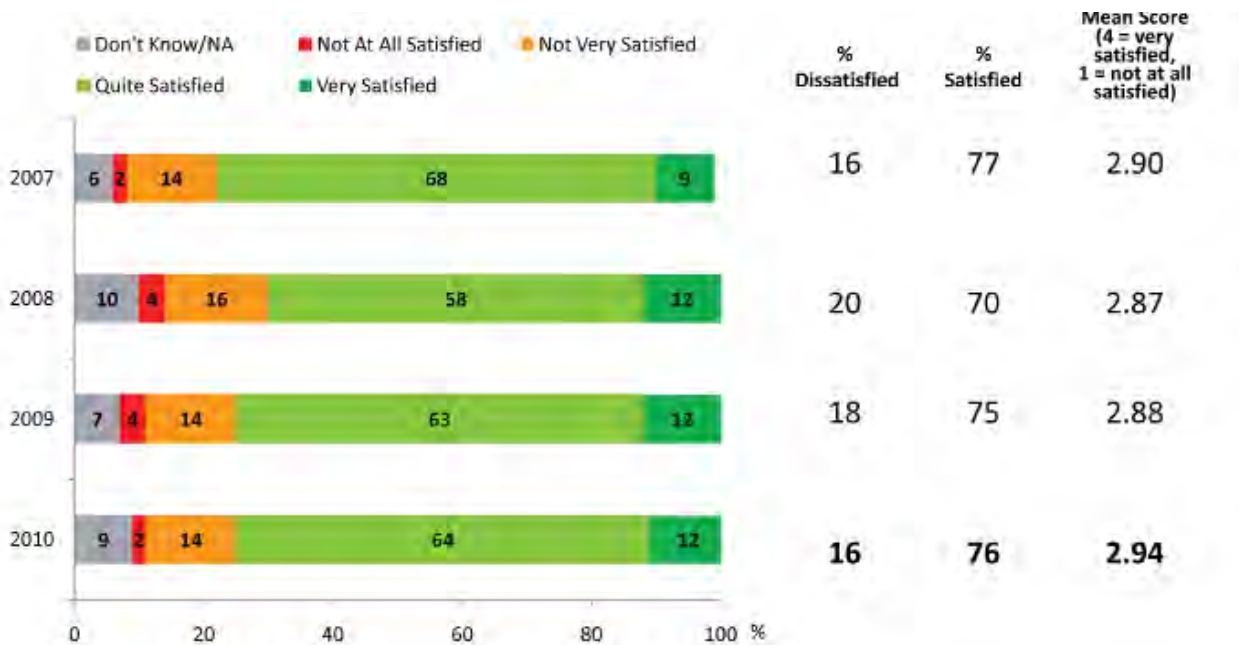
From the residents survey conducted earlier in 2009, residents having confidence in the Council making decisions that are in the best interests of the District, proved a favourable outcome of 83% satisfied. Since then the question asked about satisfaction with the overall performance of the Mayor and Councillors in 2010, rated a 76% level of satisfaction.

Conclusion



This result indicates a continued high level of public confidence in Council decision-making. This will be an important measure over time to see if confidence in Council's decision-making and performance changes and any reasons for that change.

**Satisfaction with the Performance of Mayor and Councillors**



Indicator 1.8

**Degree of understanding of Council's decision making**

Relevance

The more people who understand how Council makes decisions the more likely they are to be involved in the decision-making process and are therefore able to influence decisions which affect the desirability of the District.

Limitations

While an understanding of how Council makes decisions is more likely to get people involved in the decision-making process, this alone does not always mean that they will.

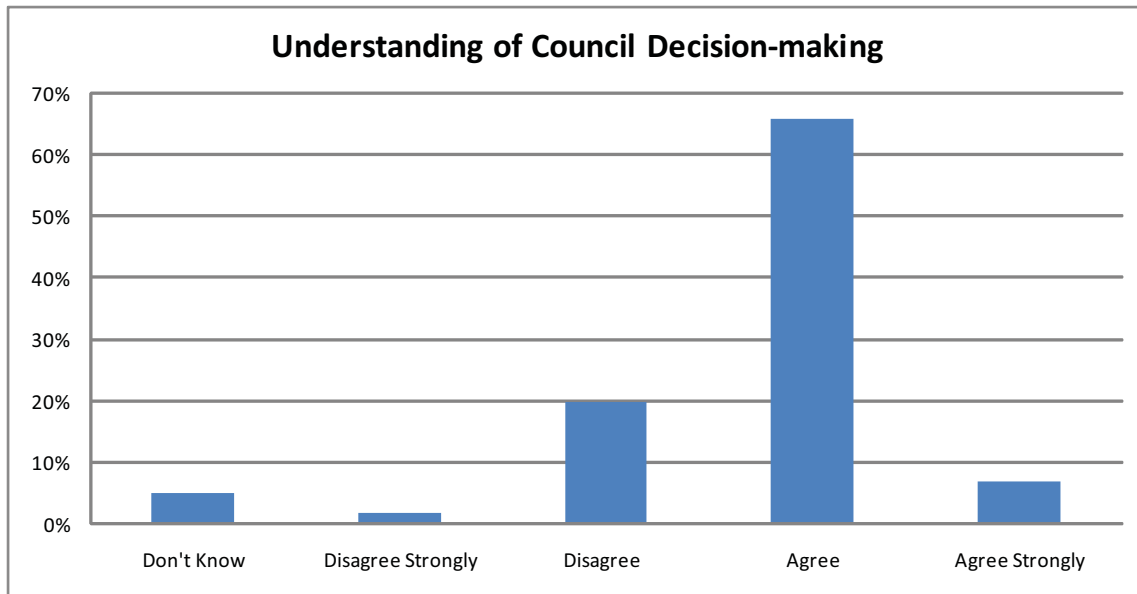
Current Level and Trends

In the survey conducted in 2007, 73% of residents stated that they understand how the Council makes decisions, with 22% disagreeing and 5% who did not know.

Conclusion



This is a reasonably large proportion of people who understand Council decision-making, and it will be important to monitor this level over time. It is interesting to note that the percentage of people who report that they understand how Council makes decisions was the same as that of people report that they are confident in the Council's decision-making, in the 2009 resident survey.



#### Indicator 1.9

#### ***District population and growth rate***

#### Relevance

The rate of growth in a district is a good indicator that it is a desirable place for people to live, work and play in.

#### Limitations

We are reliant on the 5 yearly Census, with estimates given in the years between. The estimates are based on changes to the census count that result from births, deaths, people moving into or out of the country (net migration), as well as taking into account people moving residence within New Zealand (internal migration).

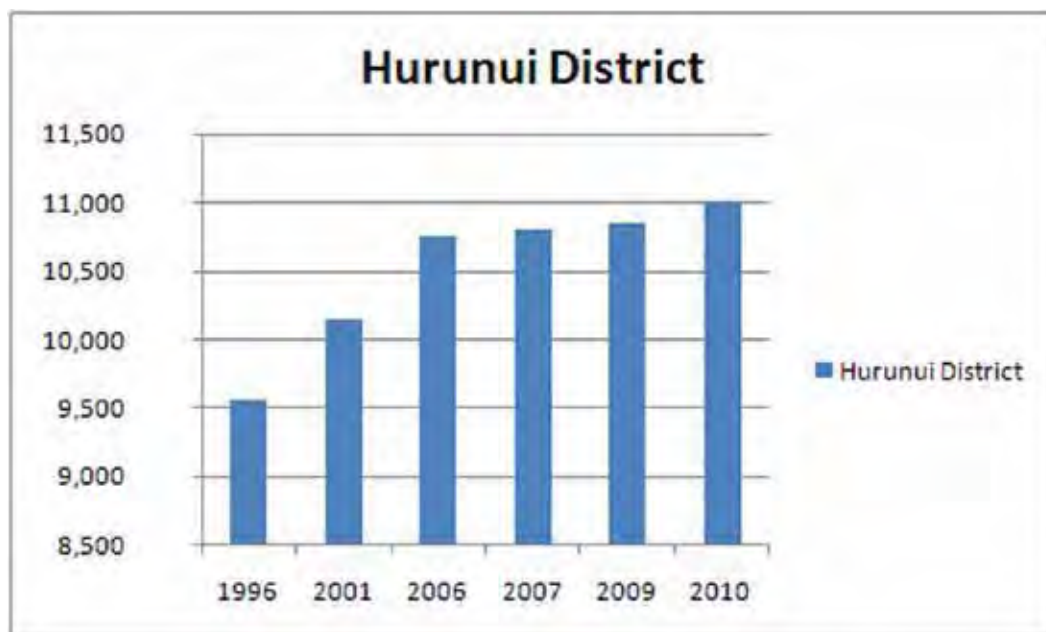
#### Current Level and Trends

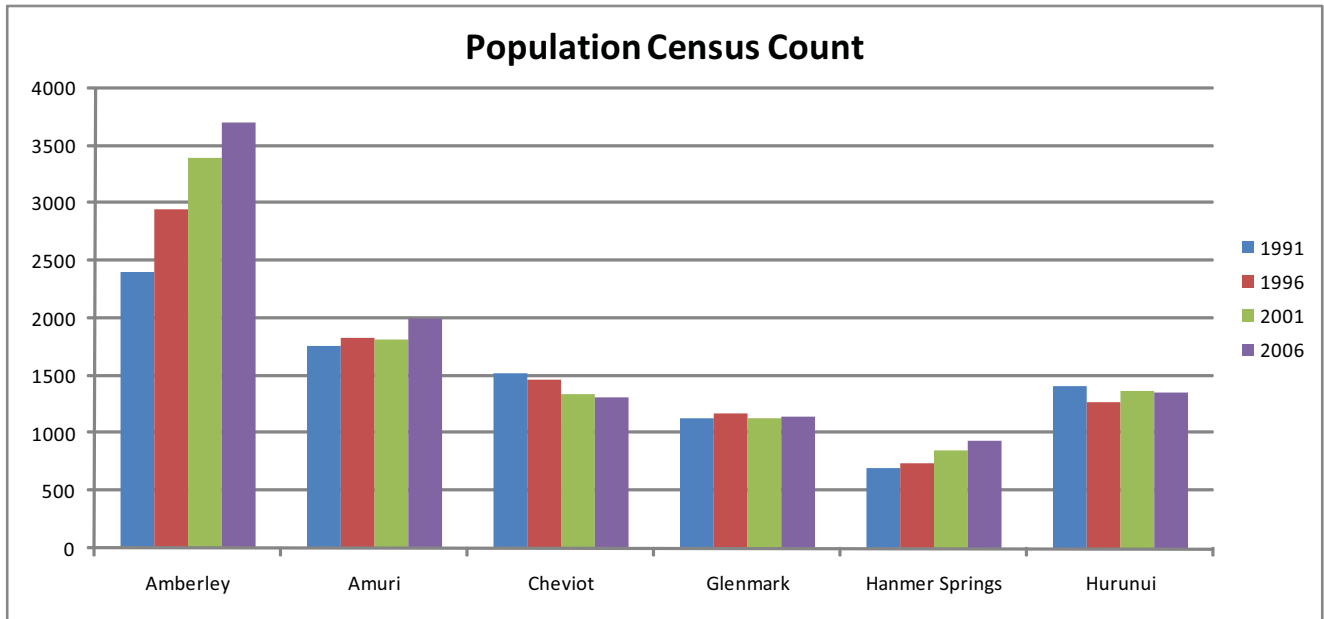
Overall the District population is continuing to grow. However, on a ward level the growth rates differ, with Amberley and Hanmer steadily increasing over the last 15 years, Amuri increasing slightly in the most recent count, Glenmark and Hurunui remaining fairly static and Cheviot decreasing slightly.

#### Conclusion



The District overall has a steady rate of growth of roughly 50 people a year and estimates predict that this will continue (estimated population at June 2007 was 10,800; June 2008 was 10,850 and June 2010 was 11,010).





Indicator 1.10

**Perception of attractiveness of townships and villages**

Relevance

If the townships and villages in the District are found attractive, it is more likely that they will appeal as a place to live in or visit. As well as attracting new residents or visitors, attractiveness will increase the amenity value and appeal of the area for existing residents.

Limitations

This indicator focuses only on how people view Hanmer Springs. In 2008 and 2010, residents were asked whether the Hanmer Springs township is retaining its alpine village character.

Current Level and Trends

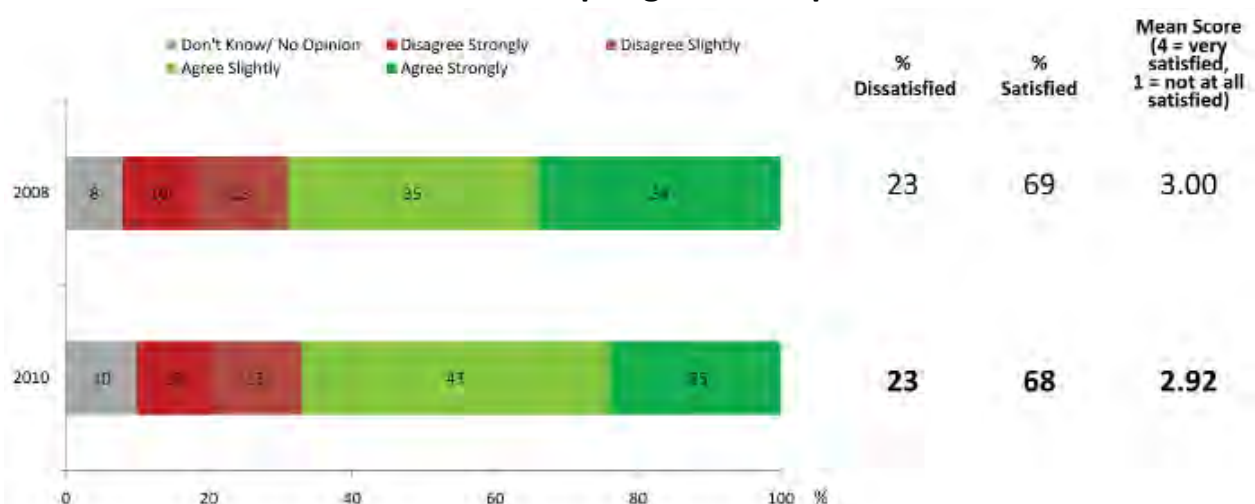
There has been a consistent view that the Hanmer Springs township has retained its Alpine character by 68% (2010; 69% 2008).

Conclusion

As this result is reasonably high, it suggests that the District is attractive to live in. It will be interesting to see the trends in this indicator over time, particularly in areas of change, in town centres or entrances.

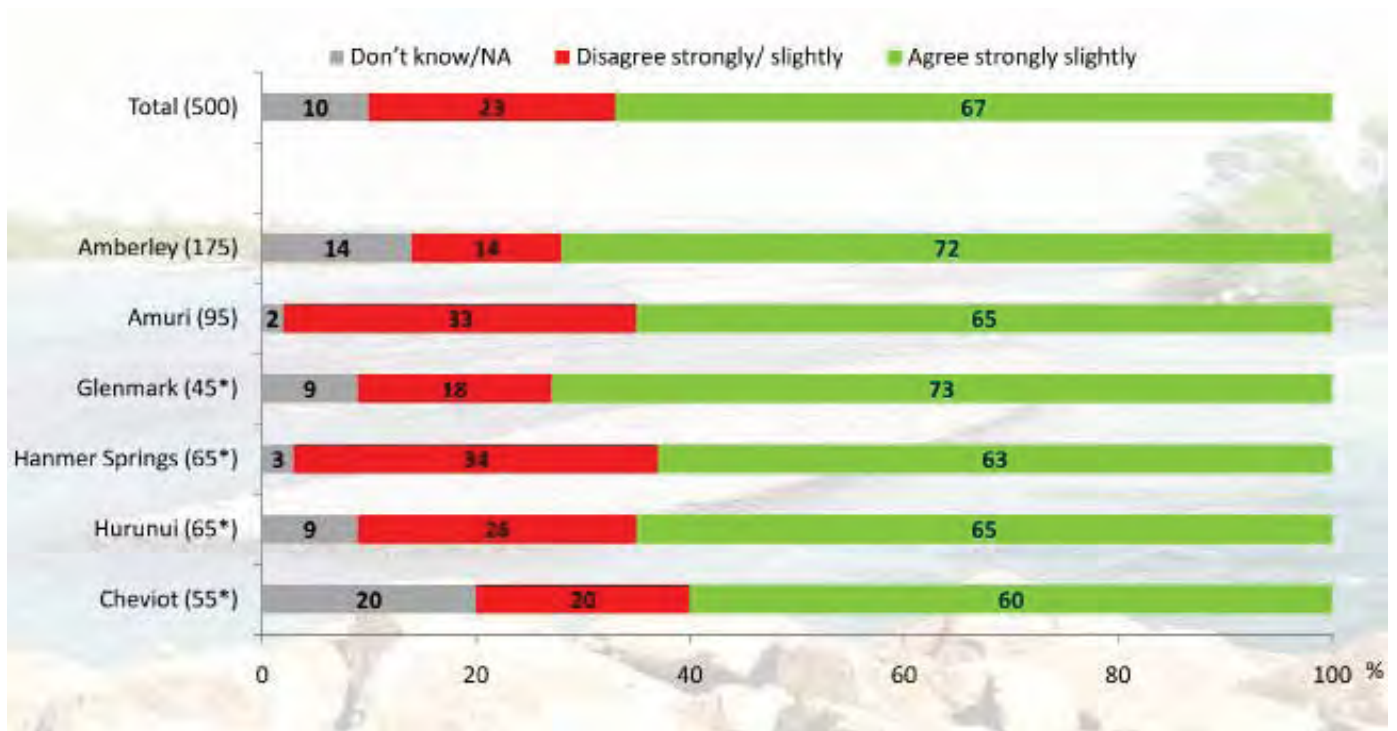


### Perception of Attractiveness of Townships and Villages for Hanmer Springs Township





## Perception of Attractiveness for Hanmer Springs Township by area, 2010



### Indicator 1.11

#### *Perception of use of subdivisions, coastal environment, Hanmer Basin and Hurunui lakes*

#### Relevance

These areas are special environments in the Hurunui and are popular recreation areas, it is important that people are happy with how they are being used. Subdivision affects the use of farmland and special areas such as the ones listed above.

#### Limitations

There is limited data available as no question asked in the residents survey directly relates to this measure. The data used has been gathered over three years.

#### Current Level and Trends

In this years resident survey 54% of residents surveyed considered dairying to be an issue and 66% felt that Wind Farms were not an issue in the Hurunui District.

In 2009 31% of residents surveyed agreed that access to the coast was an issue. This does not indicate whether they think that coastal access is sufficient and therefore does not need consideration or whether they do not think it an issue at all.

In 2008 55% of residents surveyed agreed that subdivision of rural farms into lifestyle blocks was an issue in the Hurunui.

In 2007 73% of residents surveyed agreed that enough is being done to protect areas such as the Hurunui Lakes and the Coastal Environment.

#### Conclusion



The data available does not really tell us much about the perception of use. The level of response in the recent surveys indicate that there is no particular issue in the Hurunui. 73% agreed in 2007 that enough is being done to protect these areas would indicate that people are satisfied with the current use.



Indicator 1.12

**Participation in leisure, arts and cultural activities**

Relevance

Participating in leisure, arts and culture give people the opportunity to have fun and encourages community participation. It is a quality of life measure, which contributes to the overall quality of life in the district.

Limitations

No historical data is available. This indicator will be more informative as we accumulate data over time.

Current Level and Trends

Previously in the 2009 resident survey 88% agreed that they have the opportunity to participate in leisure, arts and cultural activities. 70% of Cheviot residents strongly agree with the statement, which is much higher than other wards in the district.

Conclusion



This is a high percentage and can be considered a good result. A more meaningful conclusion will be able to be drawn in the future as historical data becomes available.





Indicator 1.13

**Involvement in physical activities including barriers**

Relevance

Physical activity has many health benefits for those who participate in it regularly. It helps to keep people fit and active as well as reducing the risk of obesity, heart disease and other illnesses associated with low levels of fitness.

Limitations

People are asked if they feel they have the opportunity to participate and while they may see the opportunity they may not choose to take it up. People often have slightly different views of what activities may be included within the scope of physical activity and this may lead to somewhat inconsistent results.

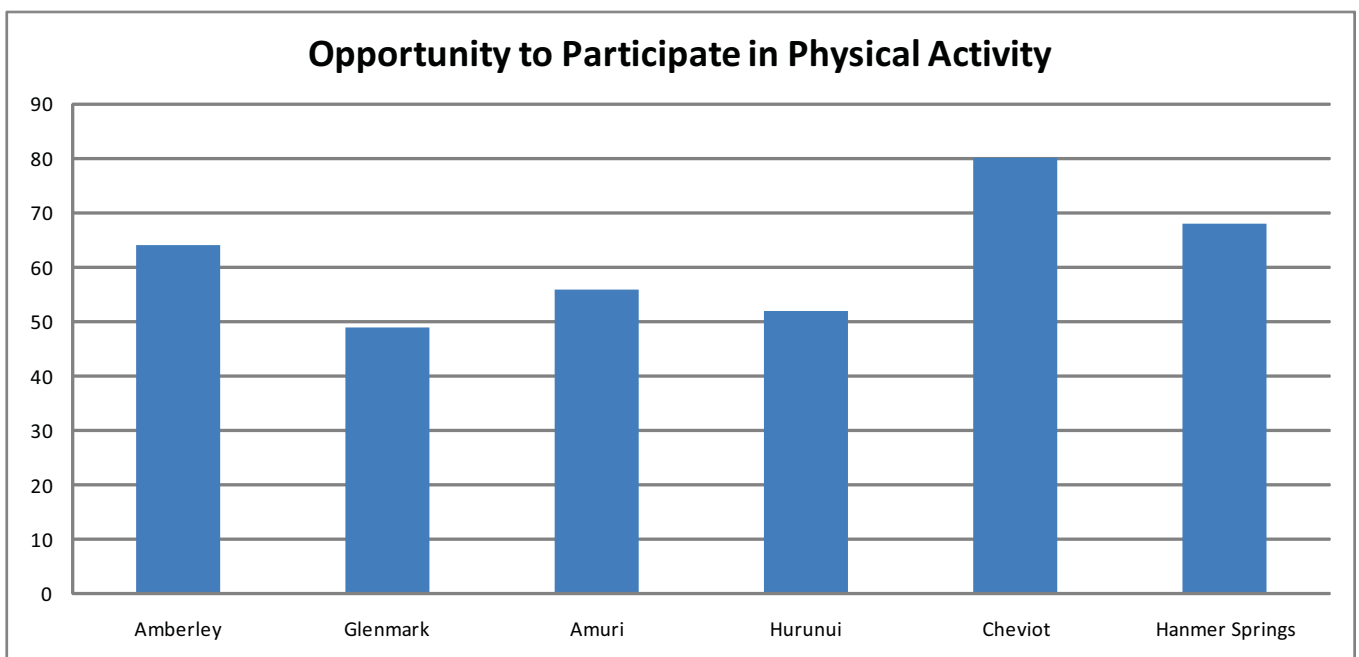
Current Level and Trends

Past results, from 2009 varied significantly in wards with 80% of residents surveyed in Cheviot strongly agreeing that they have the opportunity to participate in physical activity, while only 49% strongly agreed in Glenmark. Overall 91% of residents survey agreed that they had the opportunity to participate. We don't have any historical data for this measure, which means that we cannot determine any trends.

Conclusion



The vast majority of people surveyed feel that they have the opportunity to participate in physical activity in the district. The numbers of people strongly agreeing is somewhat lower in some wards, particularly Glenmark and Hurunui.



Indicator 1.14

***Number of Heritage sites and buildings***

Relevance

It is important that the district's heritage is protected for future generations and also that the character of the Hurunui is retained, while striking a balance between preservation and growth and development.

Limitations

While it is important to ensure that heritage is protected, it is only one factor that influences the amenity value of an area.

While the District Plan contains a schedule and rules pertaining to heritage features, the list is not exhaustive and other areas with heritage values may be unprotected.

Current Level and Trends

There are currently 74 sites with heritage features noted in the District Plan. There have been 3 additions since the Plan was made operative in 2003, these being a result of Plan Change 12/1, which was adopted by Council on the 7th of June 2008.

Conclusion



While this measure alone does not provide us with much information, trends that become apparent over time may be instructive.



## Community Outcome 2:

## "A HEALTHY, SAFE PLACE TO LIVE"

To make progress in relation to this outcome we need:	We will know we are succeeding when:	Progress will be measured using these key indicators:
Good affordable health care services available for all	Statistics show that availability and usage of health services is increasing	2.1 Number and percentage of people enrolled in PHO 2.2 Number of GPs per head of population 2.3 Hours spent in the Hurunui District by the District Nursing service
	People feel that health services are accessible	2.4 Reasons why people did not go to the doctor when they wanted to 2.5 People's perception of accessibility of health services
Adequate emergency services including fire, police and ambulance	Demand for emergency services and the supply of volunteers will remain in balance	2.6 Number of NZ Fire Service call-outs 2.7 Numbers of volunteers in essential services (in comparison to numbers required)
	Rates of crime and injury decline	2.8 Number of hospital admissions and deaths for injuries 2.9 Number of workplace fatalities and injuries 2.10 Road crash fatalities and injuries by cause of crash 2.11 Number and type of crime offences 2.12 Perceptions of safety at home and in the neighbourhood
Good quality affordable accommodation available to meet the community's needs	Suitable housing available and affordable	2.13 Home ownership statistics 2.14 Median dwelling sale prices 2.15 Size of waiting lists for Council and Government housing
Affordable and accessible community and social services particularly for the elderly and young families	Social housing available and affordable	2.16 Number of people receiving Government accommodation supplements
Management systems and resources to deal with civil defence emergency situations	Civil Defence resources and plans are in place and up to date	2.17 Status of Civil Defence resources and plans

The following pages demonstrate how we are progressing against the 17 key indicators listed in the above chart.

The following key is used to show how we are going against each measure:



This face indicates where the levels and trends in the data indicate that we are not doing as well as we could be and action may need to be taken, either to investigate the problem more fully, or to take action to remedy it.



This face indicates where the levels and trends in data indicate that we are doing OK but that there is room for improvement. This may require action or just continued monitoring.



This face indicates where the levels and trends in the data show that we are doing well in this measure.

Indicator 2.1

**Number and percentage of people enrolled in PHOs**

Relevance

The number of patients enrolled in the Hurunui-Kaikoura Primary Health Organisation through local medical centres gives us an indication of the accessibility of healthcare within the District. Accessibility of health care is one of the major factors of having a healthy safe place to live in.

Limitations

This indicator does not tell us whether the community considers the health care services offered to be affordable or not.

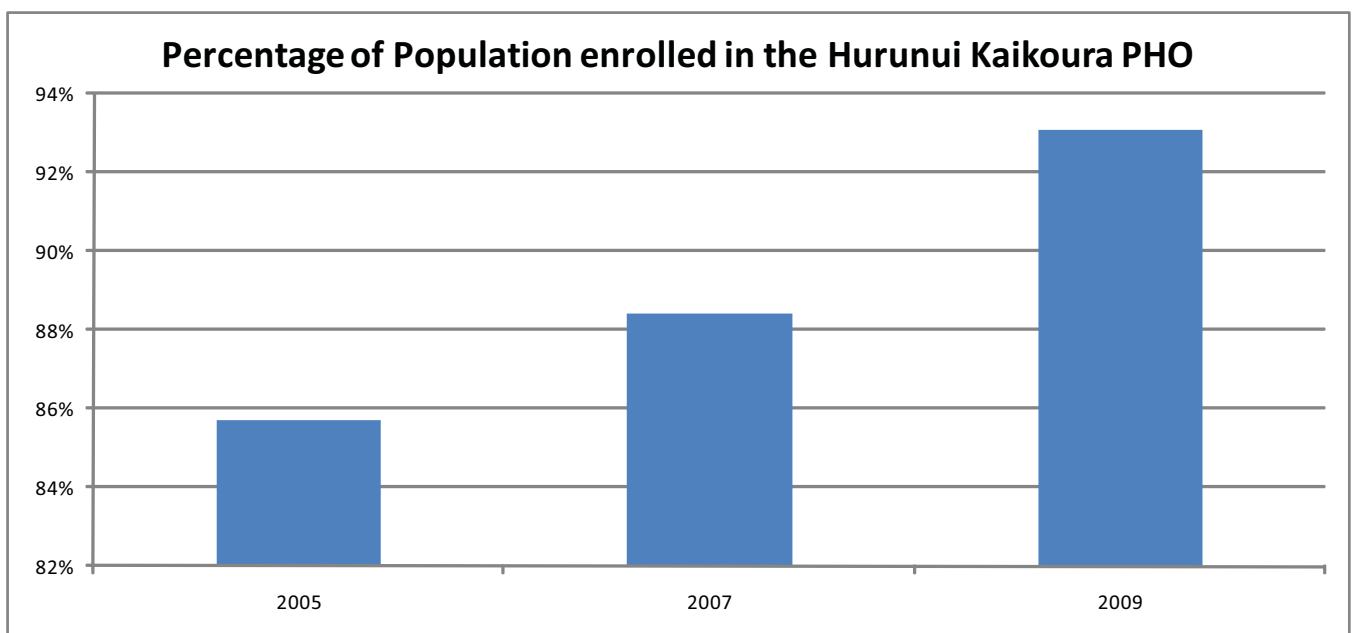
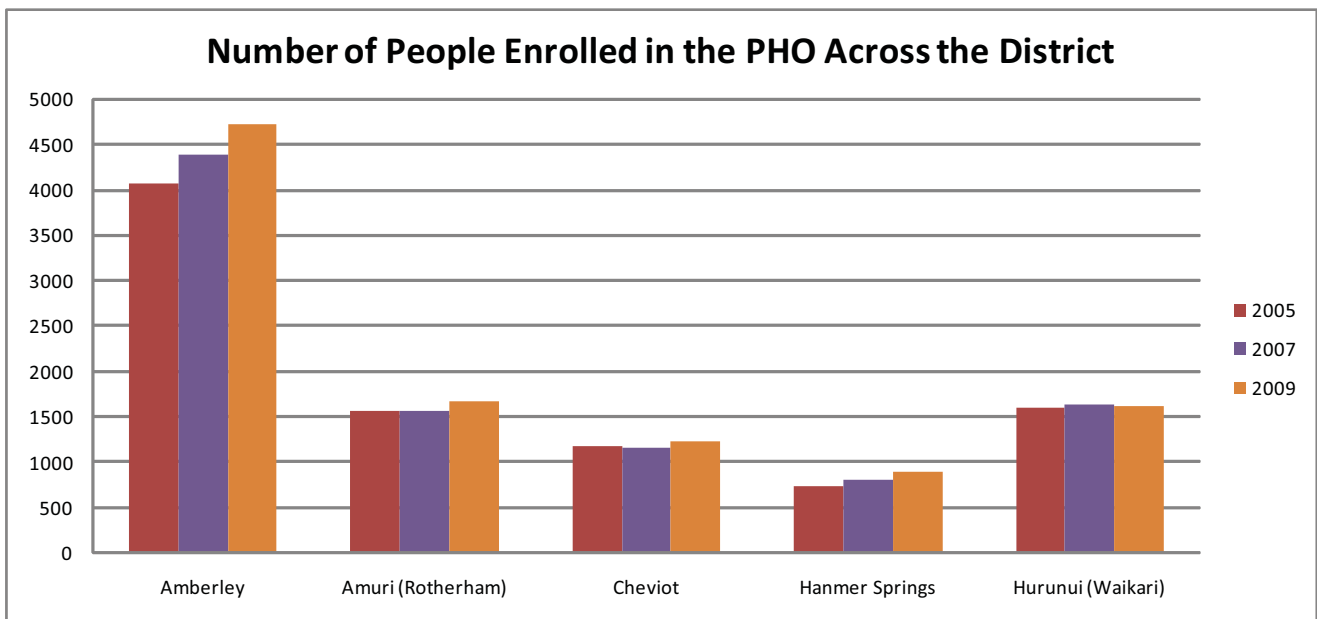
Current Level and Trends

There have been year on year increases in patients enrolled in the PHO overall. Since 2005 Waikari is the only centre to have experienced a decrease.

Conclusion



The overall numbers and percentage of people enrolled in the PHO has steadily increased over the last five years, indicating that the Hurunui District is becoming aware of the benefits of the PHO system and are utilising health services in the District.



Indicator 2.2

**Number of GPs per head of population**

Relevance

The number of GPs available also helps to give us an indication of accessibility of healthcare services within the district, which in turn impacts on how healthy the community is to live in.

Limitations

The number of GPs indicates availability and demand rather than the affordability of their healthcare services.

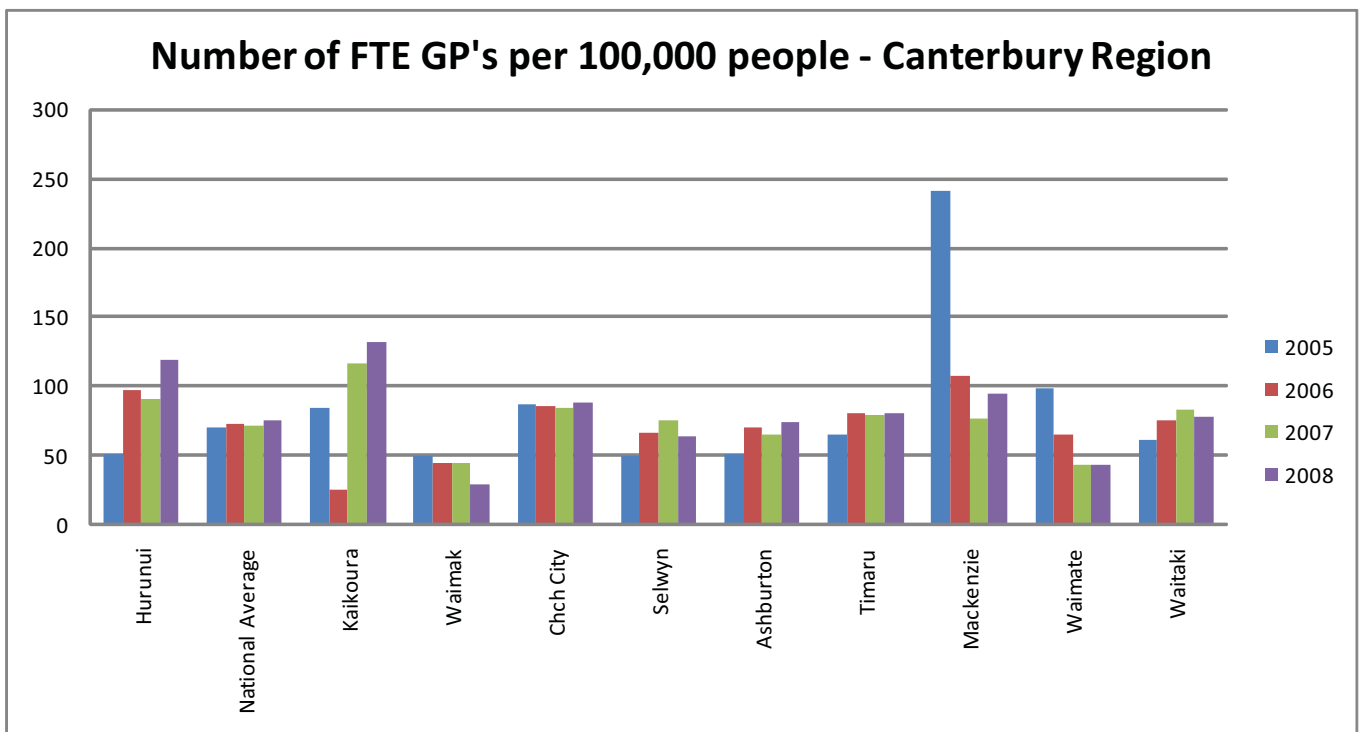
Current Level and Trends

There is 1 FTE (full time equivalent) GP based in Amuri, Hanmer have 0.8 FTE, Cheviot 1 FTE, Amberley has 3.5 FTE with 4780 registered patients and Waikari has approximately 1.6 FTE with 1600 registered patients. Local medical professions state this as probably slightly above the NZ average compared to other rural areas and it is of a reasonably comfortable status. However, the average across New Zealand is not completely pertinent as the demographic of the population affects the need for GP's, such as a higher number in young children and elderly people, may require more GP's compared to an area with more residents aged between 20-50.

Conclusion



The district shares the current nationwide difficulty in attracting and retaining GPs in rural areas. It is important to monitor this indicator closely. The maximum is generally 1500 patients to a doctor, Amberley currently sits at 1250 patients to a doctor.



**Medical Centres in the Hurunui District**



Indicator 2.3

**Hours spent in the Hurunui District by the District Nursing Service**

Relevance

The number of hours spent in the Hurunui District by the District Nursing Service, gives us an indication of the accessibility of healthcare service within the District, which in turn impacts on how healthy the community is to live in.

Limitations

The relevant data includes hours/work done specifically with patients and does not include training, meetings, admin, or the breakdown between different areas. On average, 25% of the hours would need to be added, to get the total hours worked.

Current Level and Trends

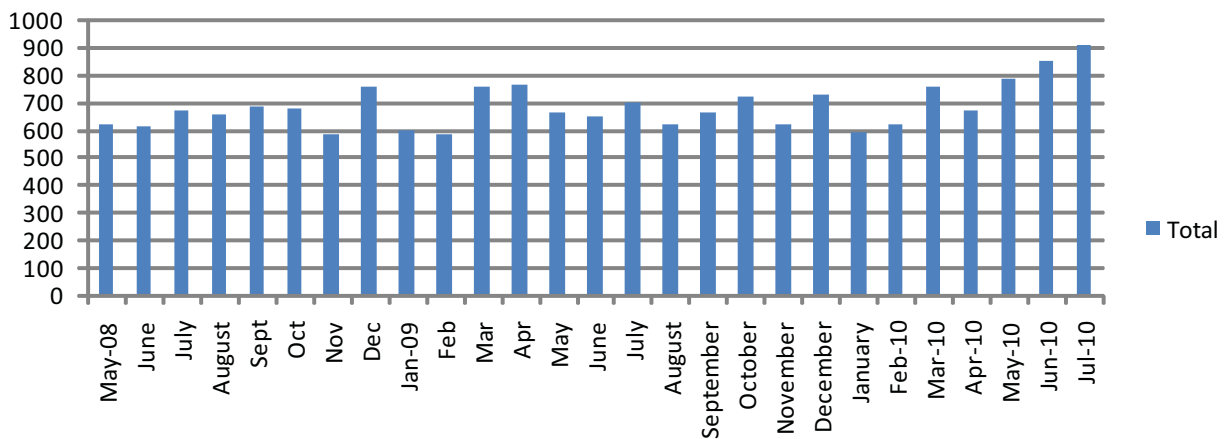
2010 show a vast increase of hours spent in the Hurunui District by the Nursing Service, which shows high accessibility of healthcare services in the District as more Nurses have become available for more hours. There has been a 20% increase on average over 2 years, as people are discharged earlier from hospital, and people want to die in their own homes.

Conclusion



There have been occasional decreases in the total hours spent in the Hurunui District by the District Nursing Service, but overall there has been a general increase since May 2008. It is positive to see an increase from the statistics, showing that a service required is available; more Nurses are spending more hours in the District because of demand.

**Total**



Indicator 2.4

**Reasons why people did not go to the doctor when they wanted to**

Relevance

This measure will show us the barriers to healthcare services and whether this impacts on the health of people in the District.

Limitations

The indicator is a subjective measure - for example what one person may consider too expensive, another person may not and it is only up to date until 2007.

Current Level and Trends

In the survey conducted in 2007, 12% of respondents identified that they did not go to a GP in the last 12 months when they or a family member had wanted to go. This compares with 20% identified in a 2006 'Quality of Life' survey of Christchurch residents.

Conclusion



As this is the first year in which this survey has been undertaken in our District, it will be important to watch this measure over time. Considering difficulties with health services in rural areas, it is promising to see that Hurunui rates better than that measured in Christchurch's 'Quality of Life' survey.

**Reasons Why People did not go to the GP when they or a Family Member Wanted to go**

	Hurunui	Christchurch
Expense	37%	52%
Length of journey	18%	2%
Doctor too busy	18%	10%
Too busy to go	6%	20%
Unsure	8%	6%
Other		10%



## Indicator 2.5

**People's perception of accessibility of health services**

## Relevance

This measure will give an indication of the extent to which the District is a healthy place to live.

## Limitations

The indicator is a subjective measure - it relies upon people's expectations, which may or may not be realistic. Also, there is no comparative data at this stage.

## Current Level and Trends

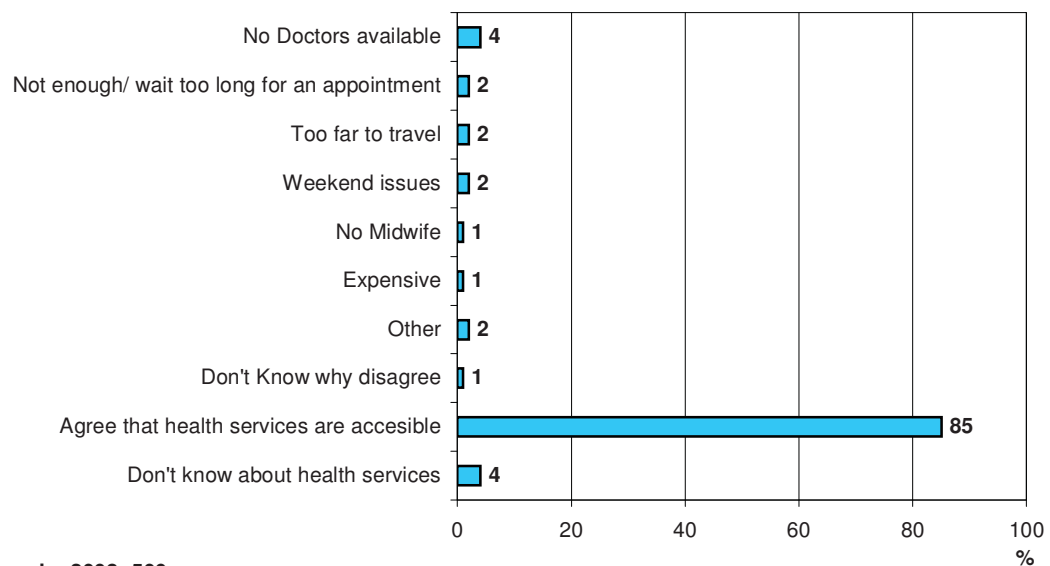
In a survey conducted in April 2008, 15% of respondents disagreed that health services in Hurunui are accessible, although 5% of these reported that they didn't know about health services or didn't have a reason for disagreeing.

## Conclusion



Considering difficulties with health services in rural areas in general, it is promising to see that such a high percentage of Hurunui residents agree that health services are accessible.

### Reasons for Disagreeing that Health Services in the Hurunui are Accessible



Base: Total Sample: 2008: 500

## Indicator 2.6

**Number of NZ Fire Service call-outs**

## Relevance

The number and type of fire service call-outs give us an indication of the safety in the District.

## Limitations

We cannot compare 2009 with 2010 until after the 31/12/2010.

## Current Level and Trends

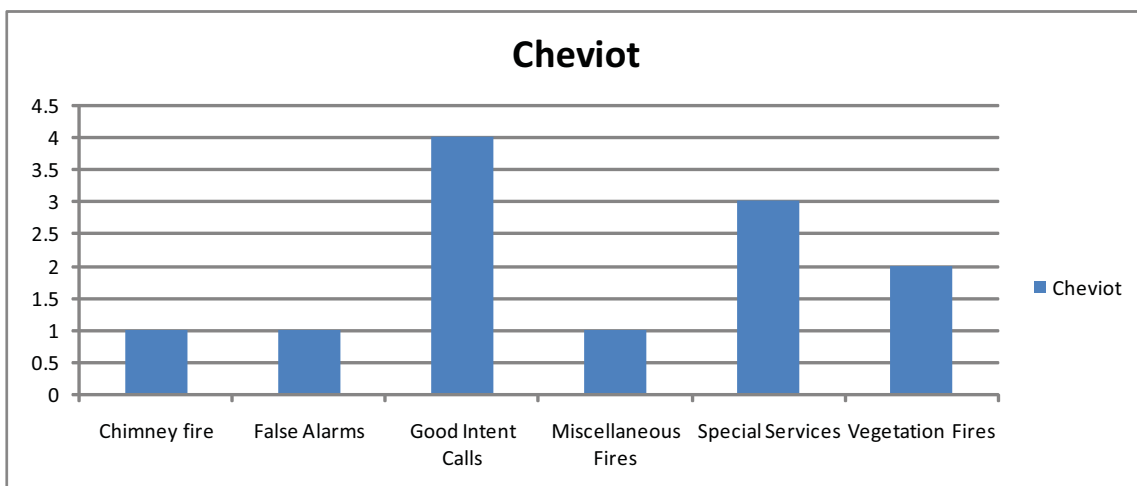
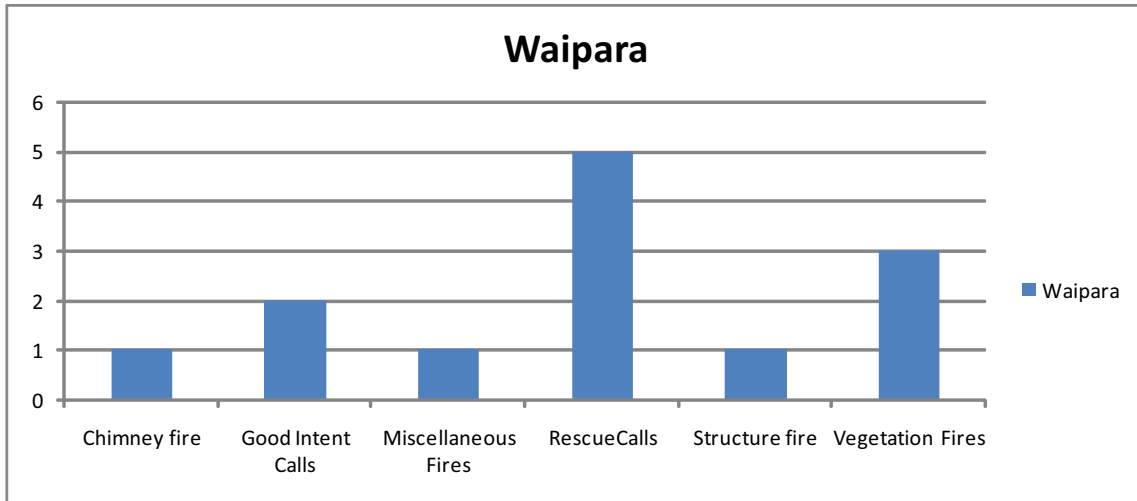
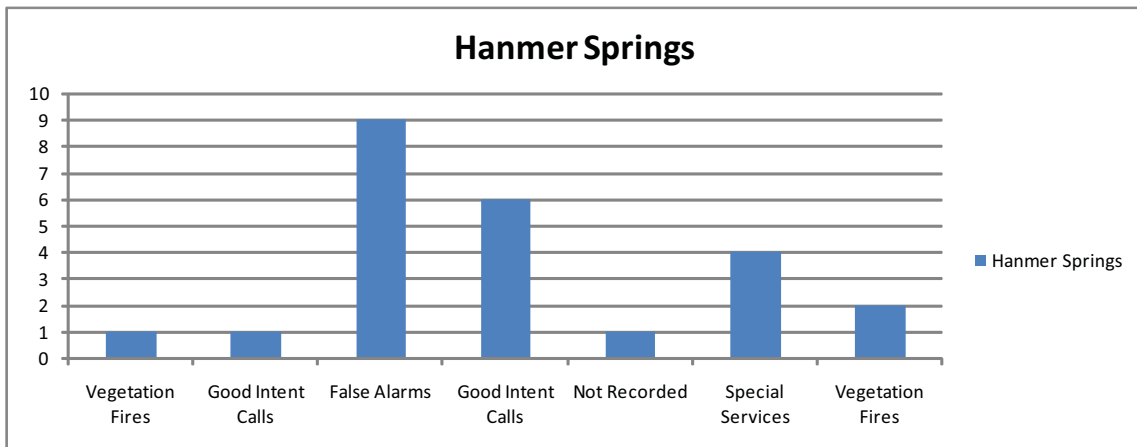
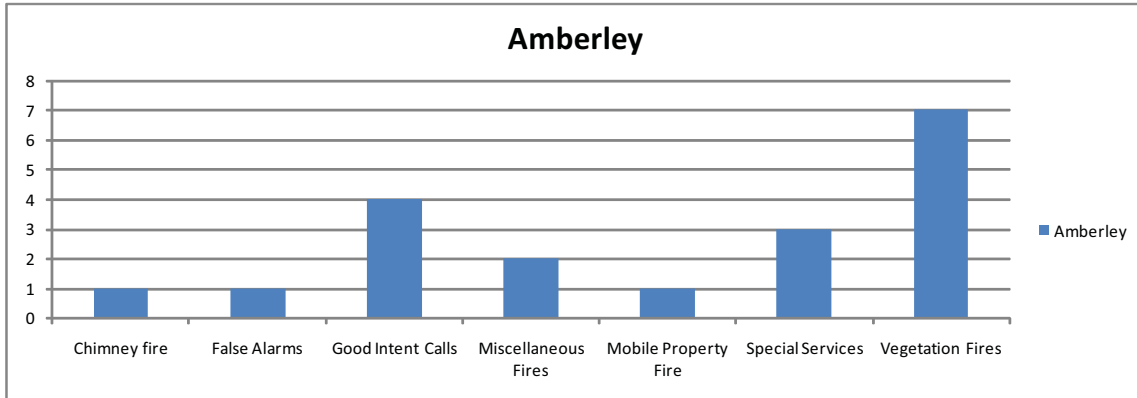
There were a total of 219 recorded fire incidents in the Hurunui District between 01/01/2009 to 31/12/2009. The graphs on the following page show the figures for some of the areas, of where fire incidents have occurred. This includes; false alarms, chimney fires, vegetation fires and so on. Sometimes the emergency calls are made from neighbouring townships, such as calls made from Leithfield for a fire occurring in Amberley.

## Conclusion



It is an important measure to watch to see what types of fires dominate in the area and whether enforcements assist in decreasing the number of fires recorded.

### Suburb Of Incident



## Indicator 2.7

**Number of volunteers involved in essential services** (in comparison to numbers required)

## Relevance

The number of volunteers involved in essential services gives an indication as to the extent to which District is a desirable place to work. It also helps to give us an indication of accessibility of services within the district, which in turn impacts on how safe the community is to live in.

## Limitations

Comparative data from other regions is limited, which limits the extent to which we can judge how well we are doing.

## Current Level and Trends

With the exception of Rural Fire volunteer, numbers in the past 3 years have remained consistent. In the fire service, volunteering has decreased nationally.

## Conclusion



This indicator will need to be considered over time in order to get an idea as to trends in this area, but the overall increase is positive, and, from a subjective viewpoint, numbers in the various essential services seem to be good. For more detail on Civil Defence and Rural Fire volunteers, see the Council Activities sections of this report for these activities.

### Number of Volunteers in Essential Services

	2008	2009	2010
Civil Defence Volunteers	73	84	110
Rural Fire Volunteers	71	60	60
NZFS Volunteers	141	139	147
St John Volunteers	73	94	74
Land Search and Rescue Volunteers	32	32	32



Indicator 2.8

**Number of hospital admissions and deaths for injuries**

Relevance

Injury and death rates can help to show us how healthy and safe the District is.

Limitations

This data is not broken down any further, for example in one year an accident may have had 3 fatalities, or there may have been 3 separate accidents each with a fatality. There is also a reasonably large number of injuries where the intent given is "other" and no further information is known. It is also not broken down to the Hurunui District.

Rate of hospitalisation and fatality from accidents and from intentional injuries is only available for this indicator until 2007. While the data shows trends over time, there is no data to see very recent changes and trends. No control for population increases has been factored into the data.

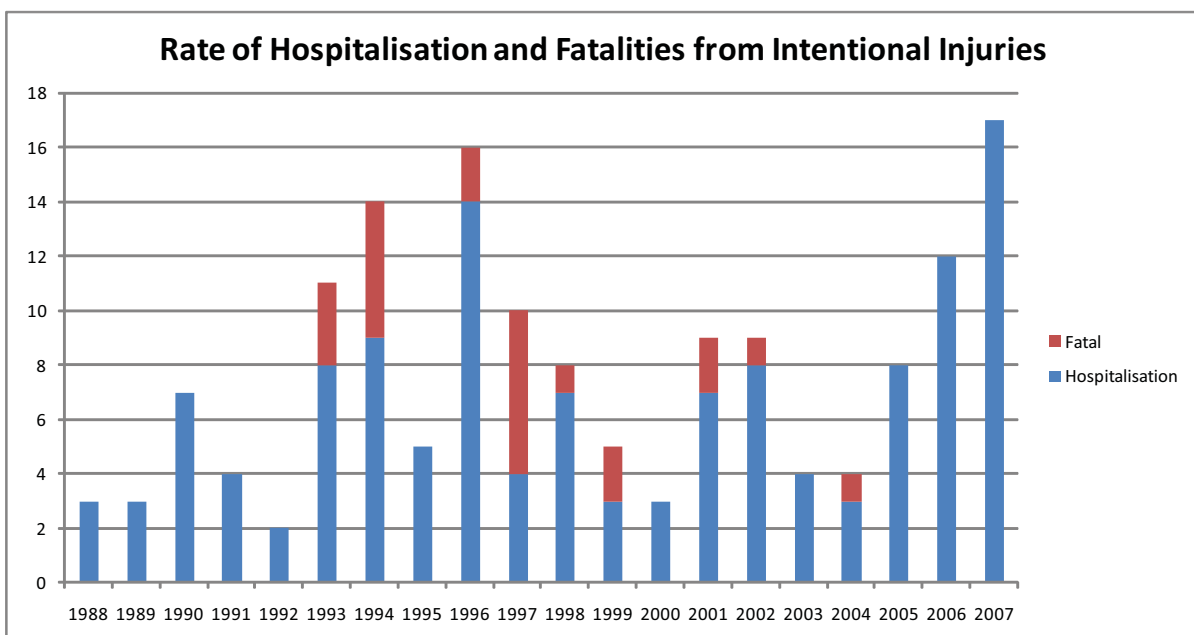
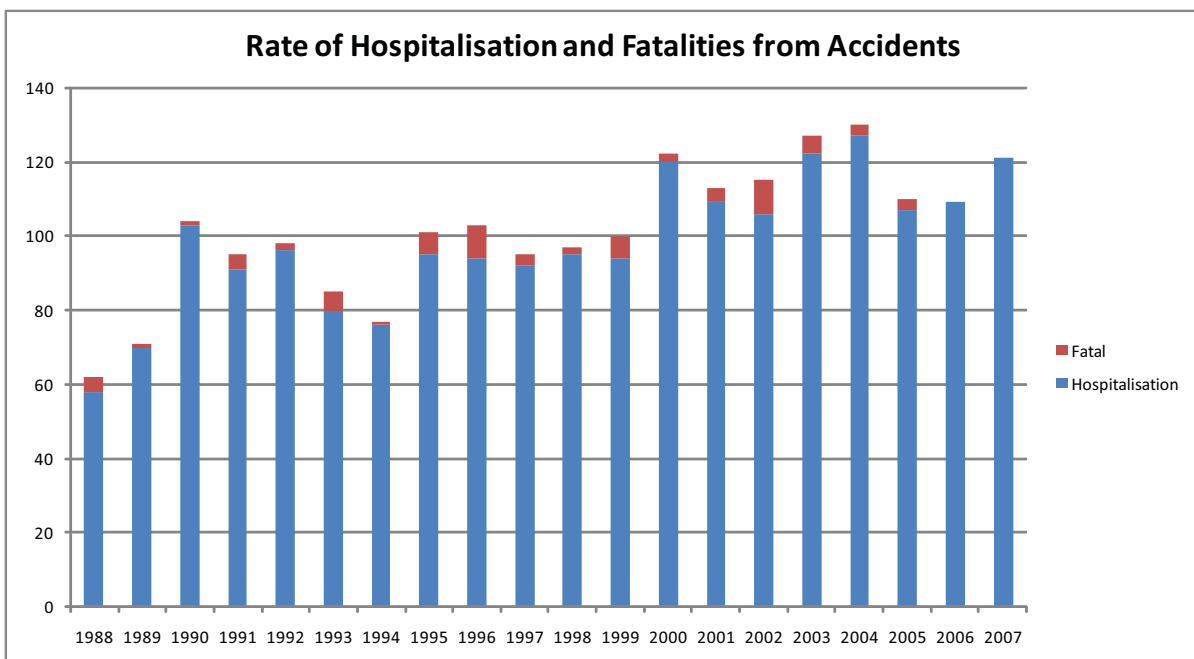
Current Level and Trends

There is no evident trend emerging from fatality data as the numbers are so low and fluctuate from year to year, although on the whole, hospitalisation rates for injuries have been increasing over the last 22 years, which, to an extent, can be expected due to increases in population.

Conclusion



It will be important for Council to monitor this and consider policy options which may be able to reduce these numbers.



Indicator 2.9

**Number of workplace fatalities and injuries**

Relevance

The number of workplace accidents resulting in injury or death will help to show us how well the District is doing in terms of Health & Safety and will highlight where changes are needed, either by the Council directly or through advocacy to other agencies.

Limitations

Unfortunately while there is data showing the number of fatalities caused by accidents, this is not broken down into those which occur in the workplace, so only the total fatalities are shown here.

There is no indication given as to how long the ongoing claims last for as the same claim may or may not be counted in more than one year.

Current Level and Trends

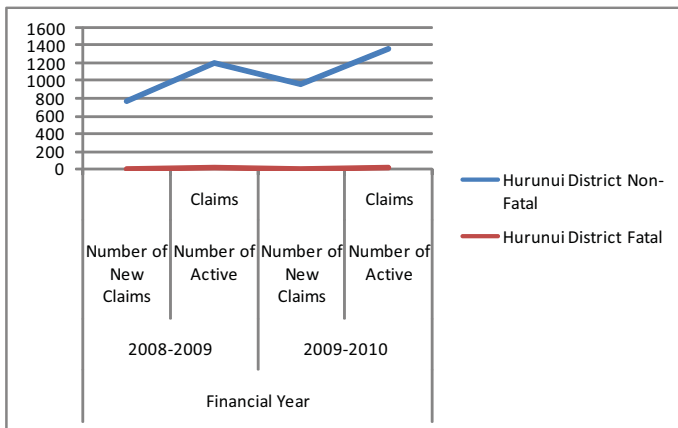
Claims made for the Hurunui District, tend to follow the pattern of the national number of claims between the years of 2008-2009 for both fatal and non-fatal claims.

Conclusion

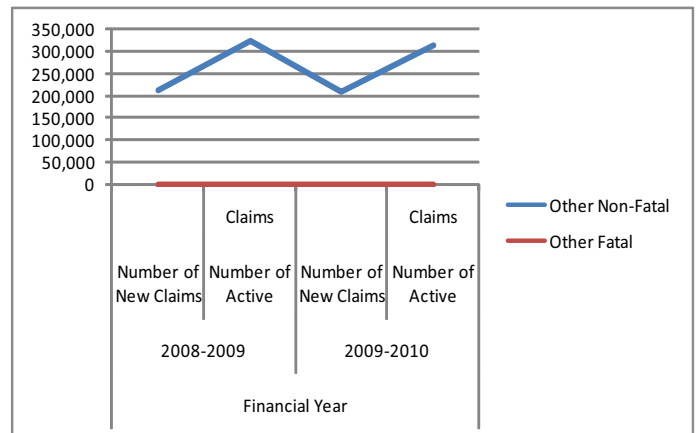


This needs future monitoring to see if this whether the Hurunui continues to follow the national patterns and whether there is an overall increase or decrease over a decade period.

**New and ongoing workplace fatality and injury claims for Hurunui years: 2008-2009 and 2009-2010**



**New and ongoing workplace fatality and injury claims for New Zealand years: 2008-2009 and 2009-2010**



Indicator 2.10

**Road crash fatalities and injuries by cause of crash**

Relevance

Road accidents and their severity can help us to see how safe the District's roads are.

Limitations

While we can obtain information on the seriousness of road accidents and on the main cause of crashes, we cannot cross-reference the two to see how they correlate to each other. At present, data is only available for the Canterbury region, not for each individual local District.

Current Level and Trends

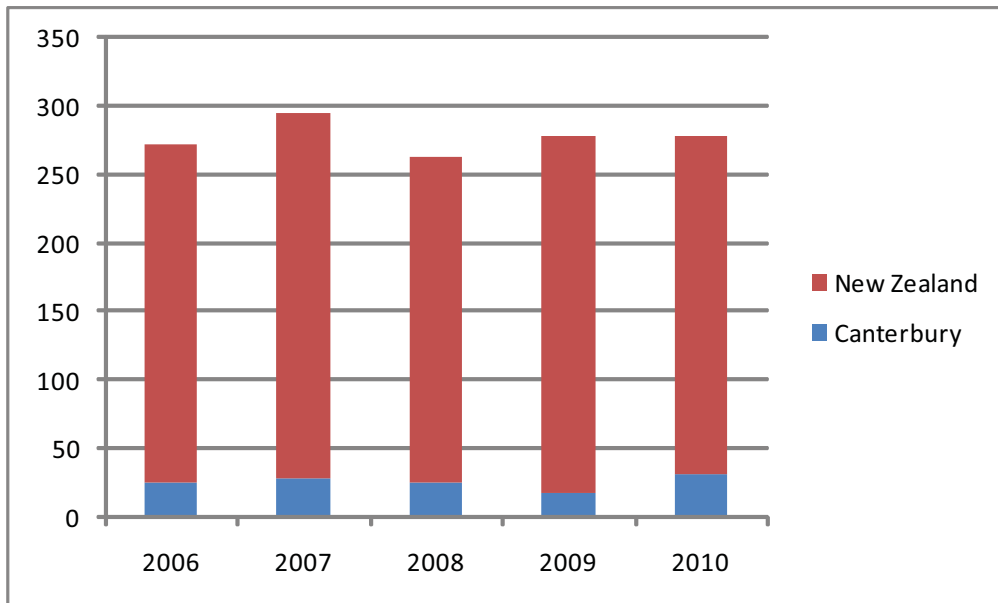
On the whole, there is only a slight increase in road trauma over the last 10 years. The number of fatalities within the Hurunui District is fairly high compared to other smaller regions, but this may be influenced by the population, because other higher density areas show similar figures, such as Waikato and the Bay of Plenty. The number of fatalities has only risen slightly and the number of serious injury crashes is showing a downward trend, while there is a large increase in the number of non injury crashes.

Conclusion



The number of crashes have increased despite being controlled for population increases. It is important to continue monitoring this data and to ensure that action is taken that will help to decrease road crashes within the District.

## Road Crash Fatalities and Injuries for New Zealand & Canterbury



### Indicator 2.11

#### Number and type of crime offences

#### Relevance

The number and type of crime offences give us an indication as to the safety of the District.

#### Limitations

Data is only available at North Canterbury level and up to 2009. It is assumed that Hurunui will follow North Canterbury trends. It is expected though the number of crimes will be much less.

#### Current Level and Trends

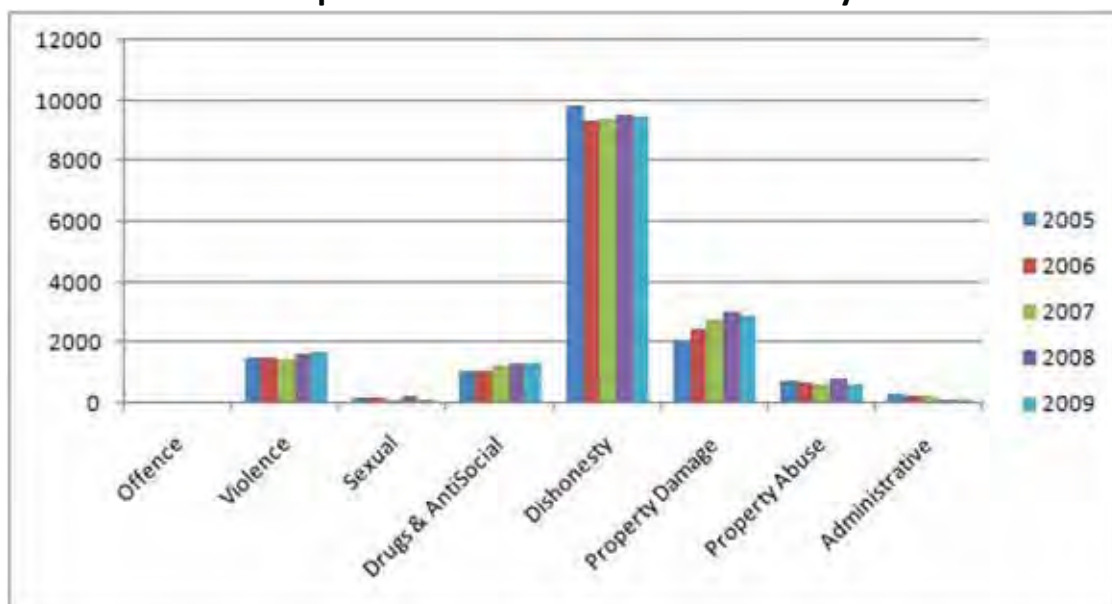
There has been an increase in most types of reported offences between 2007 and 2008, but this has decreased again, generally in 2009.

#### Conclusion

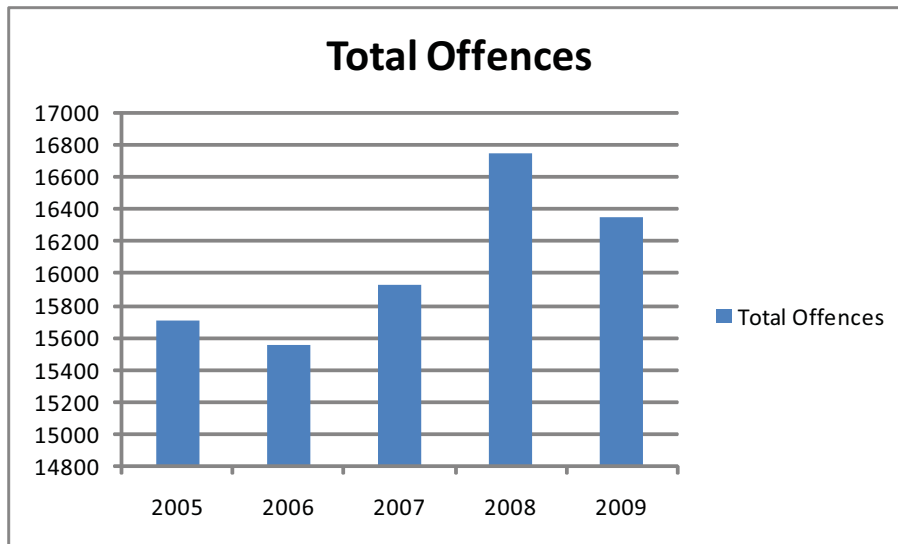


The small increase in crime can probably be expected as our population increases. However when the trends in the types of crime are looked at this small increase is largely driven by decreases in somewhat more petty offences, such as dishonesty and administrative. A large increase in more destructive crimes, like sexual, drugs and antisocial and property damage.

## Reported Crimes in North Canterbury



## Total Crimes North Canterbury



### Indicator 2.12

#### Perceptions of safety at home and in the neighbourhood

#### Relevance

It is important to know what perception residents have regarding their safety so that any problems are identified and steps are taken to ensure that the District is a safe place in which to live.

#### Limitations

From the data we do not know why people feel unsafe. This information will be important to gather if there is an increase in 'very unsafe' responses, to ensure Council knows the issues and can respond to them accordingly.

This indicator also measures people's perceptions only, which may not necessarily reflect the actual situation, for example feeling unsafe when there is no danger, or believing there is no danger when there is.

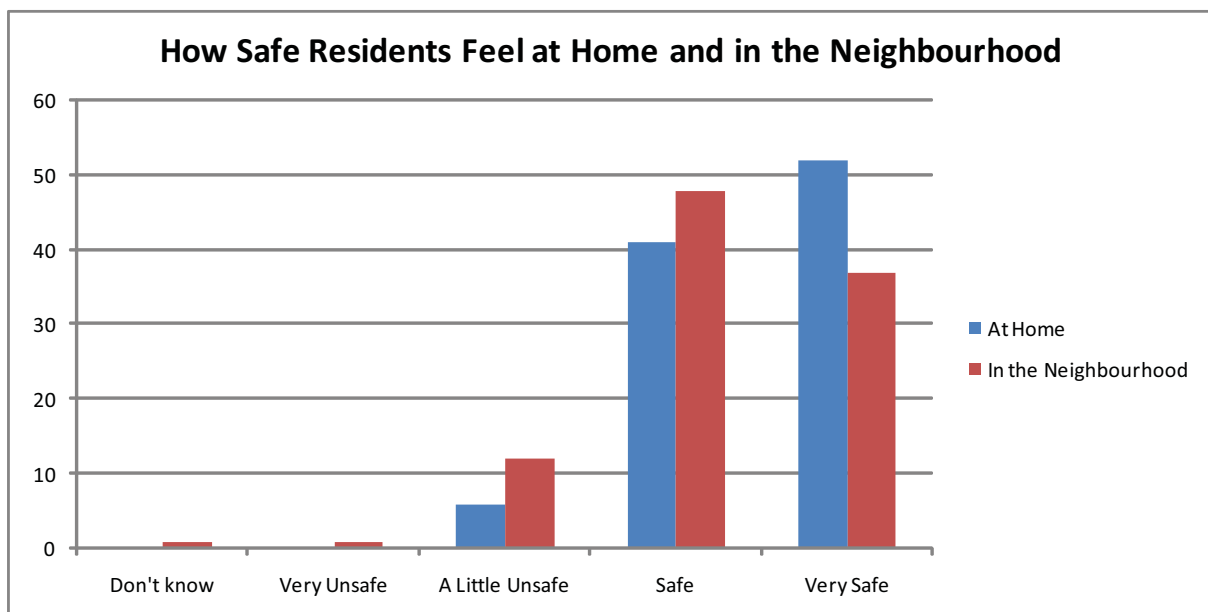
#### Current Level and Trends

In the survey conducted in 2007, 93% of residents felt either safe or very safe at home, with 85% feeling safe in their neighbourhood. Comparatively, no-one felt very unsafe in their home and only 1% felt very unsafe in their neighbourhood.

#### Conclusion



The very high levels of people feeling safe suggest that the District is generally considered to be a safe place to live in.



Indicator 2.13

**Home ownership statistics**

Relevance

The home ownership statistics identify whether residents in the District have had the opportunity and affordability to purchase their own homes.

Limitations

From the data we do not know why people do or do not own their own property, and the information is only available for the Hurunui District and Amberley, not for each individual township in the Hurunui District.

Current Level and Trends

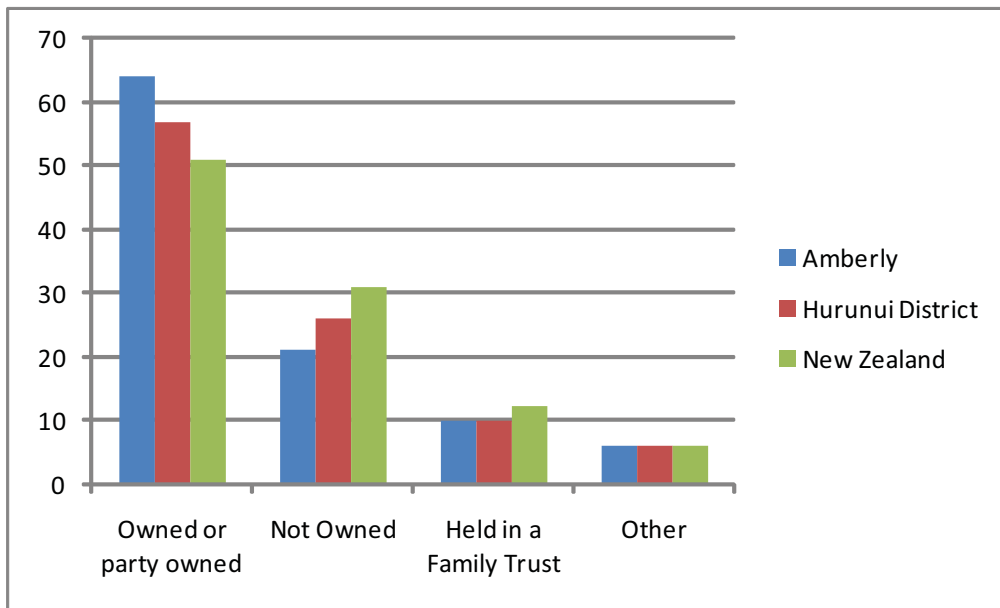
Indicators from the 2006 Census, show that in Hurunui District, 61.5% of households in private occupied dwellings, own the dwelling, with or without a mortgage. For New Zealand as a whole, 54.5% of households in private occupied dwellings, own the dwelling, with or without a mortgage. QV estimates for August 2010, that Amberley has 64% of residents owning or partly owning their own home and the for the whole of the Hurunui District 57% own or partly own their own home. The Agricultural industry may have a significant impact on the percentage for the Hurunui District, with many individuals and families living in houses provided by their employment.

Conclusion



Amberley's percentage of home ownership is higher than the percentage for New Zealand's overall home ownership, suggesting that there is opportunity and affordability for the District's residents to establish themselves in their personally owned homes.

**Home Ownership Statistics**



Indicator 2.14

**Median dwelling sale prices**

Relevance

The median sales prices for dwellings in the District will help to show us if housing is available and affordable.

Limitations

This data is not broken down to district level, but includes, in addition to covering the Hurunui District: Ashley, Ashley Gorge, Clarkville, Cust, Hundalee, Kairaki, Loburn, Ohoka, Okuku, Oxford, Pines Beach, Sefton, Southbrook, Tuahiwi, Waikuku, Waikuku Beach, and Woodend.

Current Level and Trends

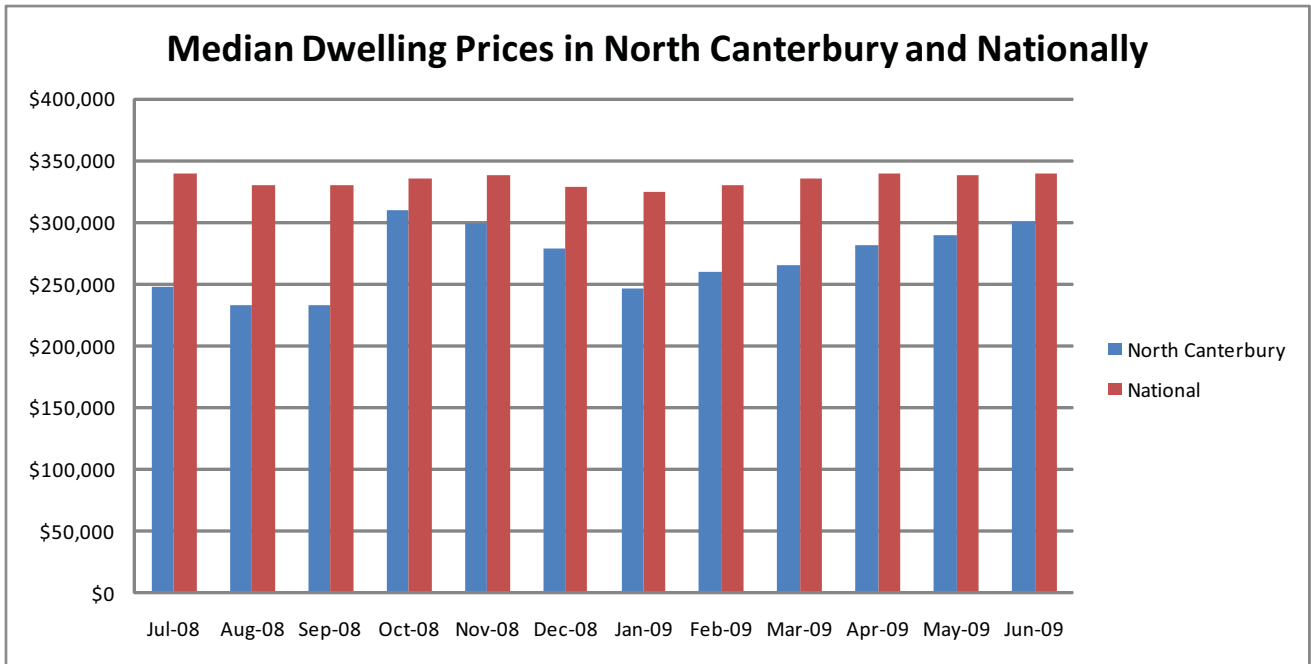
Median sale prices for dwellings in Northern Canterbury show a steady increase since January 2009, reaching \$320,000 as of June 2010. Median sale prices nationally show a levelling off over the past few months, but have increased up to \$349,000 as of June 2010.

Conclusion

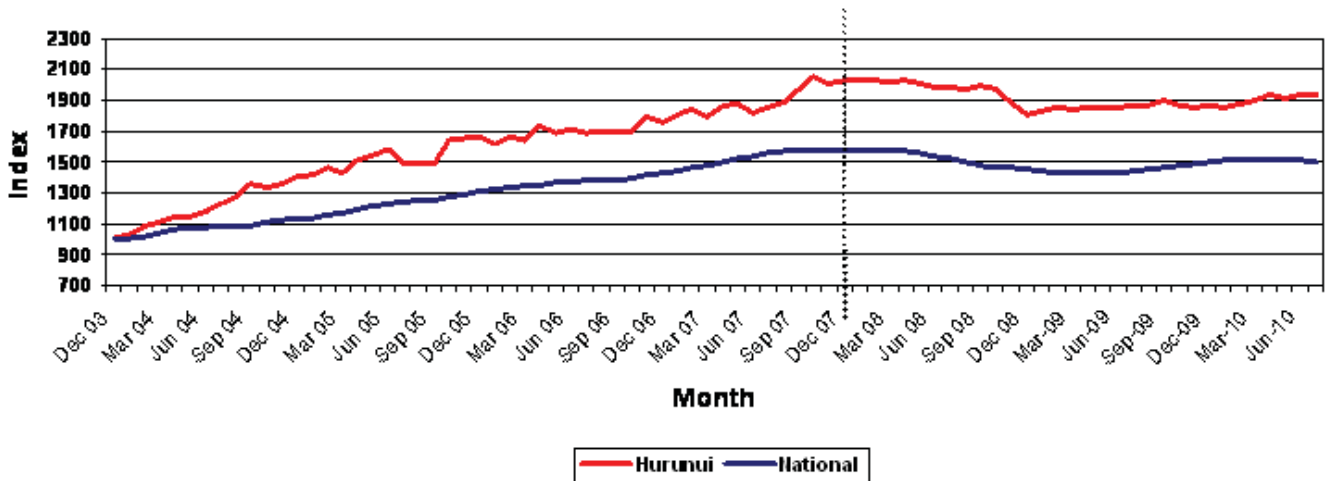


Median sale prices in North Canterbury have risen quite steeply since the low was hit in January 2009. This is in comparison to a relative flattening out of dwelling prices nationally.





### Average sales price for the quarter ending March 2010



Indicator 2.15

**Size of waiting lists for Council and Government housing**

Relevance

This measure indicates the availability of subsidised housing, which contributes to the health and safety of those who need it.

Limitations

For Housing New Zealand houses, people may be on more than one waiting list at a time.

Current Level and Trends

All Council waiting lists have increased since 2005. There was a decrease in 2009, in all areas except Hanmer Springs, which increased and Waikari, which remained at the same level. The Housing New Zealand waiting lists have remained relatively stable with an overall increase of one applicant, and this may not necessarily represent a new application but rather a selection of more locations.

Conclusion



The decrease in waiting lists is a positive trend but the supply of housing is still not meeting the demand.



Indicator 2.16

**Number of people receiving Government accommodation supplements**

Relevance

This measure will give an indication of the extent to which housing is affordable in the District, which will in turn indicate the extent to which this is a healthy and safe place to live.

Limitations

The data is only available up until 2004, as Statistics New Zealand has not yet produced any more recent results.

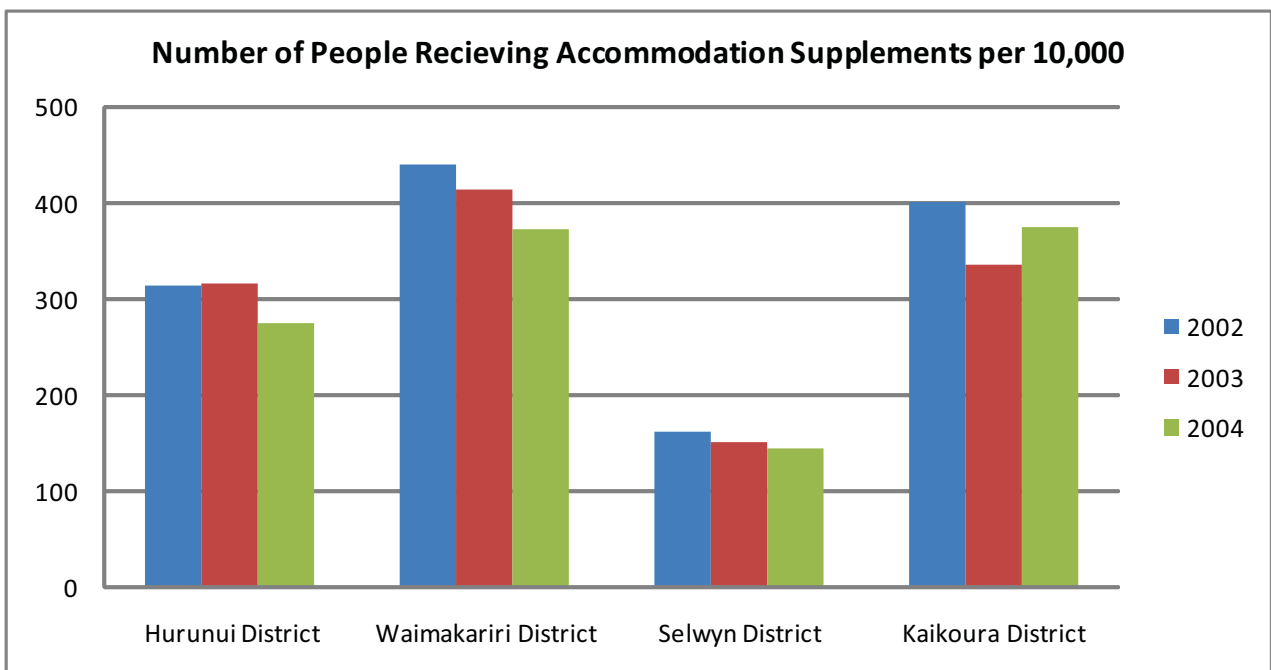
Current Level and Trends

The number of people on accommodation supplements has remained fairly steady or decreased, in line with trends in other Canterbury districts, indicating that housing has become more affordable.

Conclusion



Despite the increasing population, the number of accommodation supplement recipients has decreased, indicating that housing has become more affordable, something which is in turn likely to have a positive impact upon the health and safety of the district.



## Indicator 2.17

**Civil defence resources and plans**

## Relevance

Being the lead authority for Civil Defence emergencies, it is important that the Council have in place resources and plans to ensure the District is a safe place to live, prepared for any emergency.

## Limitations

Resources and plans can minimise the impact of potential emergencies but they cannot prevent these from happening.

## Current Level and Trends

Council has a *Local Arrangements* document, as required under the Canterbury CDEM Group Plan, which was signed on 31 October 2007 and ratified by the Canterbury CDEM Group (as required) in February 2008. In addition, Council has developed a number of contingency-specific plans: The *Adverse Events Plan* has been integrated into the *Local Arrangements*; a *Pandemic Influenza Business Continuity Plan – 2007*; a *District Fire Plan – December 2006* as required under the Forest and Rural Fires Act 1977; and a *Hanmer Springs Fire and Evacuation Plan*. The *Local Arrangements; a Pandemic Influenza Business Continuity Plan* has been updated to ensure that the district can cope with a “flu” pandemic.

The Hurunui District have experienced flooding events in recent years, which gave staff and volunteers experience in dealing with a real Civil Defence Emergency. In addition, there are annual, regional training exercises. All sector posts have been involved in training activities with the exception of Culverden.

## Conclusion



Civil Defence resources and plans are in place to ensure effective management of any emergency situation which may occur in the District.

Community Outcome 3:

"A THRIVING LOCAL ECONOMY"

To enhance this outcome, we need to:	We will know we are succeeding when:	Progress will be measured using these key indicators:
<ul style="list-style-type: none"> <li>• Be a place where business development is encouraged but in a way that preserves the community and the environment</li> <li>• Have new and diverse businesses which will provide local services and employment opportunities for attracting and retaining residents</li> <li>• Have equity of access to quality and affordable telecommunication services including broadband availability and adequate cellphone coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Labour force participation rates increase</li> <li>• The Hurunui District has a strong, healthy economy</li> <li>• People's standards of living improve</li> </ul>	<ul style="list-style-type: none"> <li>3.1 Percentage of people in full and part time employment by industry and occupational groupings</li> <li>3.2 Percentage of people in labour force</li> <li>3.3 Long term (6 months/1 year plus) unemployment rates</li> <li>3.4 Percentage of people registered unemployed</li> <li>3.5 \$ value of commercial and residential building consents issued</li> <li>3.6 Average weekly earnings &amp; median annual income</li> <li>3.7 Total number of means main benefits</li> <li>3.8 Percentage and average numbers of employees</li> <li>3.9 Number of businesses*</li> <li>3.10 Distribution of industry by type*</li> <li>*(based on Statistics New Zealand Business Frame)</li> <li>3.11 Access to telecommunications services</li> <li>3.12 Telecom and Vodafone mobile coverage areas</li> <li>3.13 Access to, and satisfaction with, broadband</li> </ul>

The following pages demonstrate how we are progressing against the 11 key indicators listed in the above chart.

The following key is used to show how we are going against each measure:



This face indicates where the levels and trends in the data indicate that we are not doing as well as we could be and action may need to be taken, either to investigate the problem more fully, or to take action to remedy it.



This face indicates where the levels and trends in data indicate that we are doing OK but that there is room for improvement. This may require action or just continued monitoring.



This face indicates where the levels and trends in the data show that we are doing well in this measure.

Indicator 3.1

**Percentage of people in full and part time employment by industry and occupational groupings**

Relevance

This indicator can show us where people are working and whether or not there is diversity in the District's economy.

Limitations

The classification of occupations is based on ANZSCO V1.0 (Australian and New Zealand Standard Classification of Occupations,) which was released in September 2006 and is the current standard for collecting occupation data in New Zealand. This data is now four years old and does not show recent changes in our economy.

Current Level and Trends

Currently the largest occupational groupings within the Hurunui District are Managers (28%) followed by Labourers (20%). The lowest percentage (5%) is for Sales Workers. This shows that the District work force is reasonably diverse.

Conclusion



As the ANZSCO classification system is new, we have no other data to compare this data with. It will be interesting over time to see what trends may appear.

**Occupation for People Aged 15 Years and Over**



Indicator 3.2

**Percentage of people in labour force**

Relevance

Strong labour force participation rates help to build a strong and healthy economy.

Current Level and Trends

The percentage of people in the labour force (either full or part time) has increased within the District over the last ten years, following the national increase. The District's labour force rates continue at approximately 4% above the national average.

Conclusion



The strong participation in the labour force which continues to increase and is above the national rate show that the District has a healthy economy. It should be noted that the current recession does not show in the data as it is based on census results, measured every five years.





Indicators 3.3 & 3.4

**Long term (6 months/1 year plus) unemployment rates  
Percentage of people registered unemployed**

Relevance

Rates of unemployment are a major indicator of the strength of the local economy.

Limitations

For the Hurunui District, the data on long-term unemployment is not broken down by all types of benefits; the unemployment benefit is grouped with other “main benefits”, such as Independent Youth Benefits, Domestic Purpose benefits, and Sickness Benefits. Data is only available back to March (or, for Canterbury, December) 2006.

Current Level and Trends

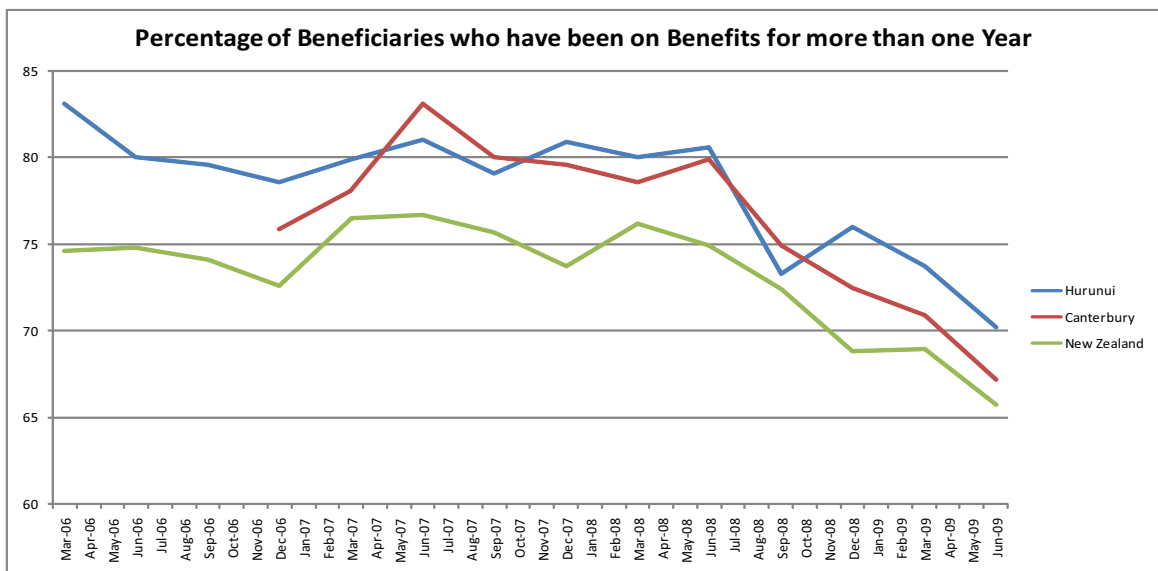
As the graphs on the following page show, the percentage of long-term beneficiaries (greater than one year) has fluctuated over the last two years, with a drop in the past year. This does not reflect the current situation in the economy as those are still short term.

The recession has caused the number of unemployment to jump considerably over the last two years. In June 08 national unemployment rates were at 3.9%. In the latest estimate (Mar 09) unemployment rates are at 5.6%. It is expected that this is affecting unemployment rates in the Hurunui.

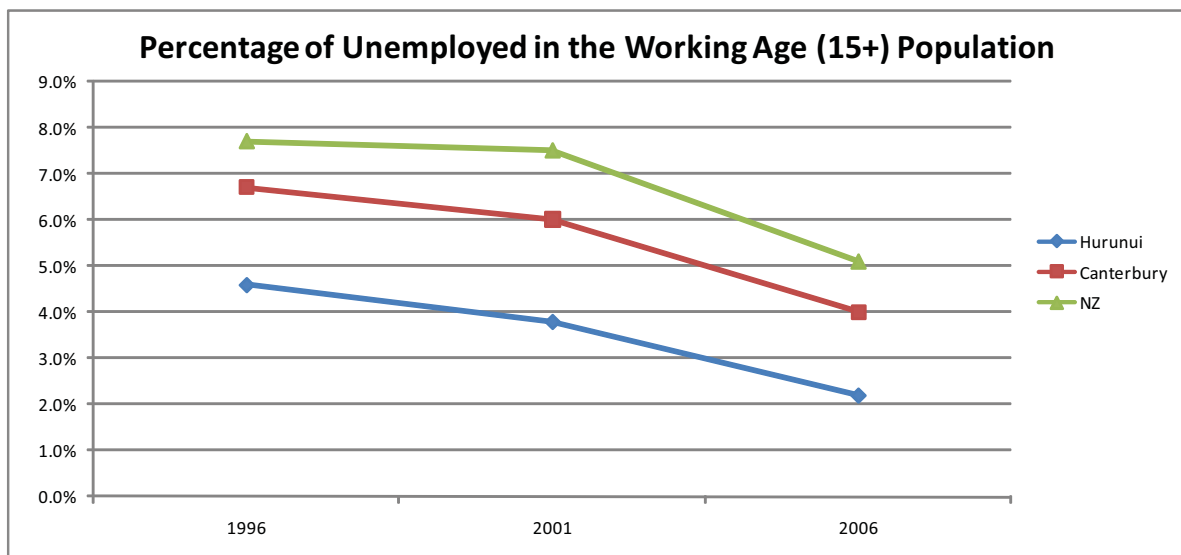
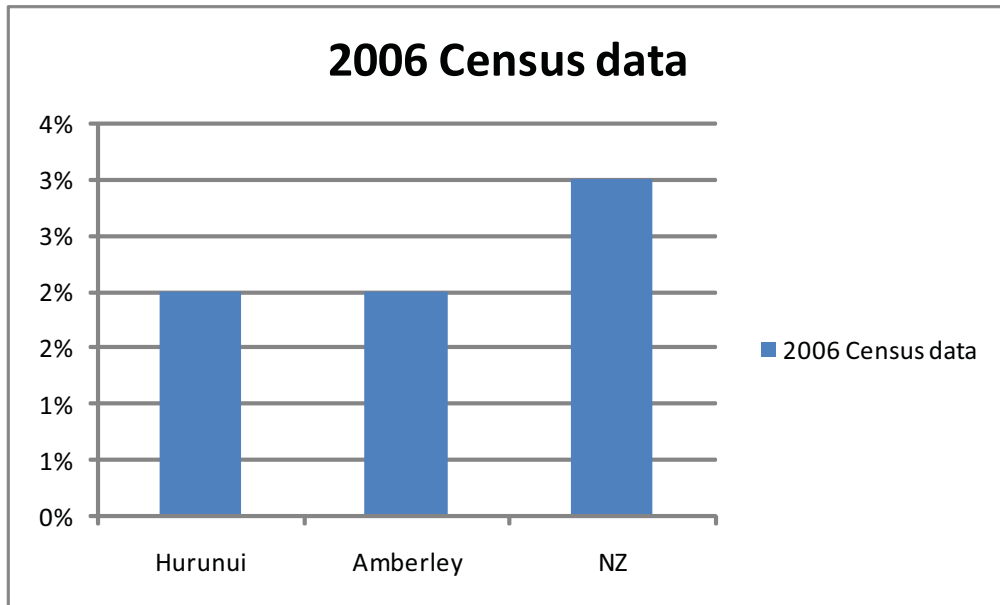
Conclusion



The percentage of long-term beneficiaries has dropped over the last year, which is a positive trend. This does not take into account the recent changes in the economy as those affected by this change are still considered short term unemployed.



## Unemployed status of people aged 15 years and older statistics from the 2006 Census



### Indicator 3.5

#### *\$ value of commercial and residential building consents issued*

#### Relevance

The value of building consents issued will help to show whether or not people's standards of living have improved. The standard of living enjoyed by the District helps to indicate the health of the economy.

#### Current Level and Trends

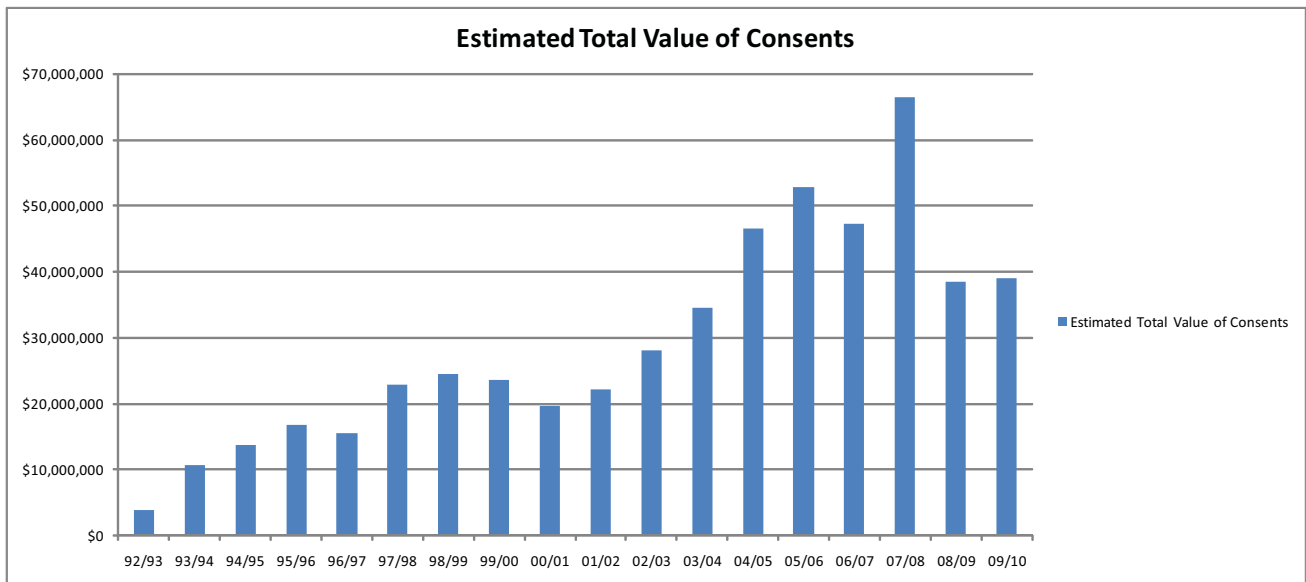
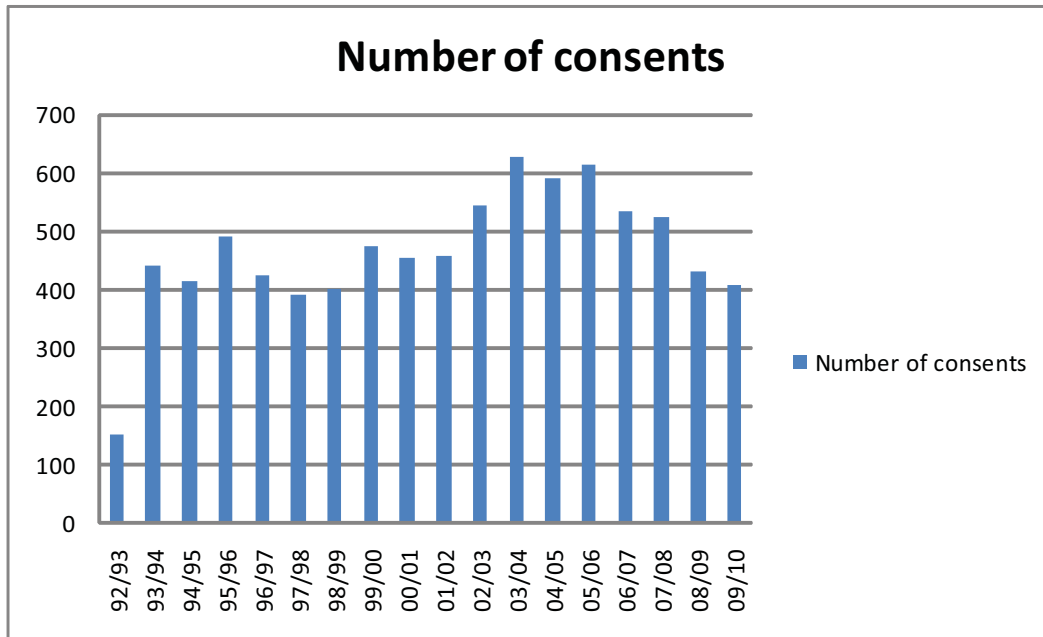
Over the last 15 years there has been a substantial increase in the value of building consents issued, from \$3,908,713 in 92/93 to a peak of \$66,381,649 in 2007/08, which then decreased to 38,513,340 for 2008/9 and to \$39,070,680 for 2009/10. This shows that there was an increase in people building or upgrading their properties in the District however the dip this last year shows the effect that the recession has had on people's ability to build or upgrade their properties.

#### Conclusion



This data suggests that the district is enjoying an increasing standard of living, but that building is decreasing. It is unknown how long the economic recession impact's will last and this will be a factor in determining future trends.

### Number of consents issued the Hurunui District



Indicator 3.6

**Average weekly earnings and median annual income**

Relevance

This indicator will show us how we are doing compared to other areas in New Zealand and how changes in weekly earnings may impact upon the local economy.

Limitations

At this stage data is only available at a regional level, so the assumption is made that Hurunui follows the trend of the greater regional area.

The New Zealand Income Survey collects income data on wages and salaries, self-employment, government transfers, investment income and other transfers (which includes private superannuation and annuities). This survey is a sample survey and therefore all the results are subject to a sampling error.

Current Level and Trends

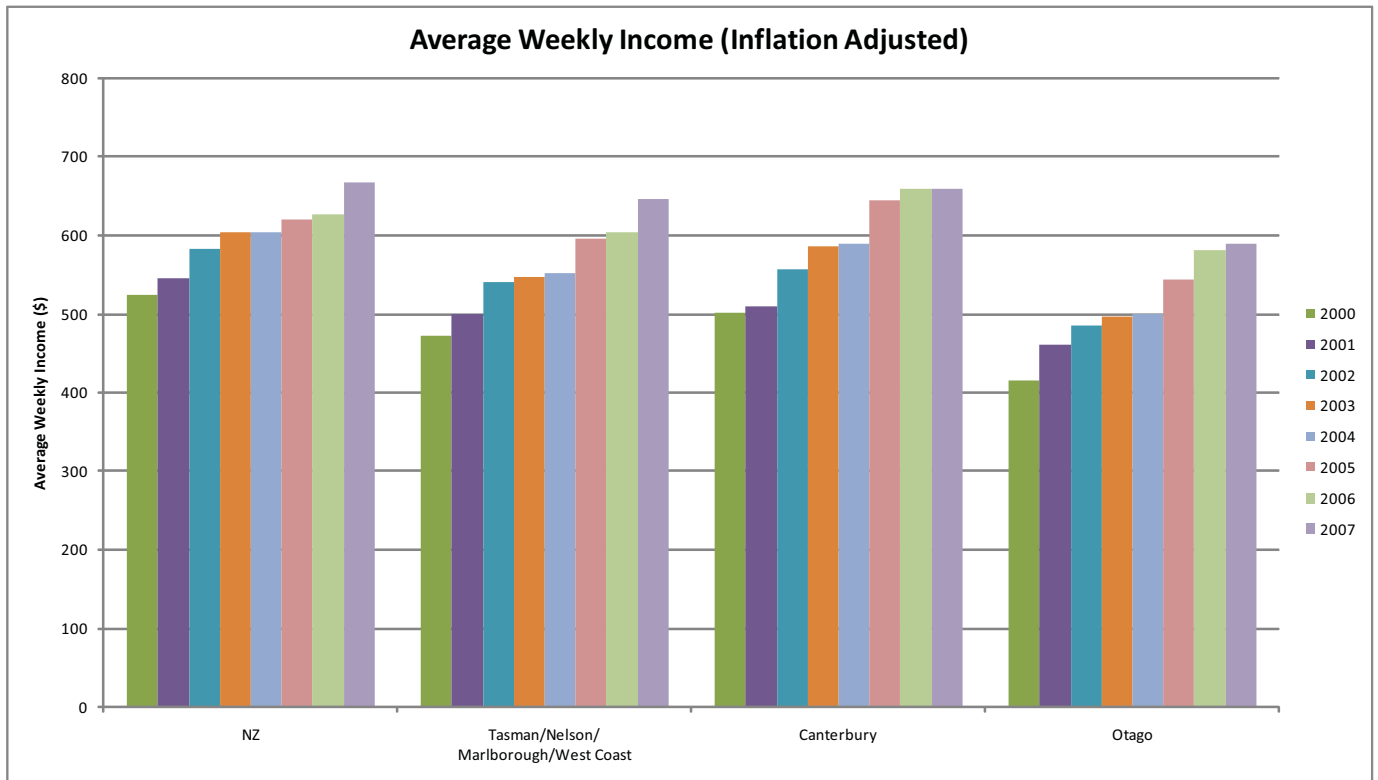
The average weekly income for people in the Canterbury region has kept up with the national average, although in 2007 it dropped slightly below. Wages have been rising steadily but when adjusted for inflation Canterbury experienced a drop in wages between 2006 and 2007.

Conclusion

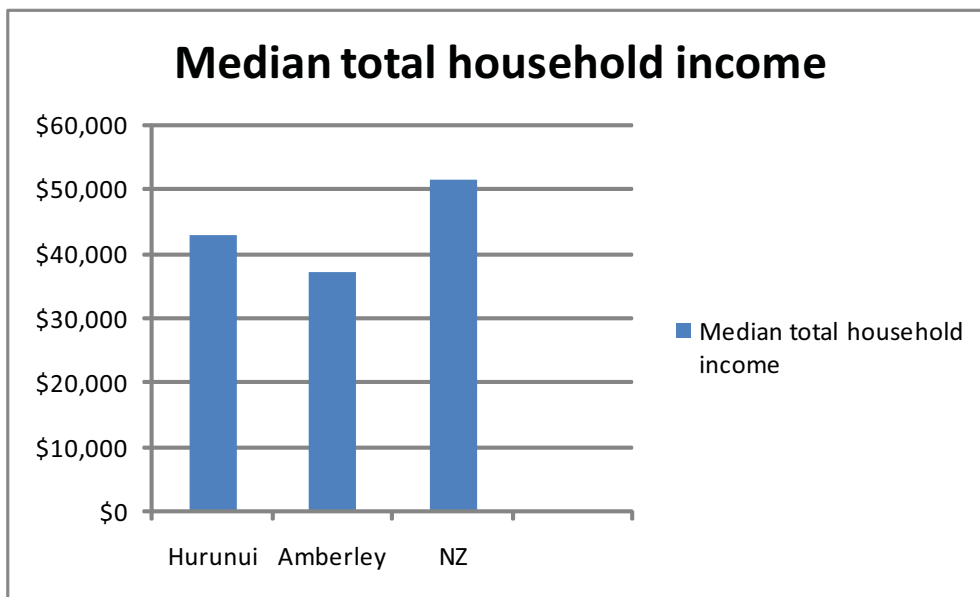


The trend in Canterbury wages needs to be monitored carefully and it is expected that there will be little movement in wages as the recession has caused the value of many jobs to stagnate. While it is expected that there will be little increase it is hoped that there will not be a decrease.





### Distribution of total personal income for people aged 15 years and older from the 2006 Census



**Indicator 3.7**

**Total number of means main benefits**

**Relevance**

The number of persons on means tested benefits provides an indicator of the strength of the economy. As the economy thrives, the number of persons on means tested benefits is likely to decrease.

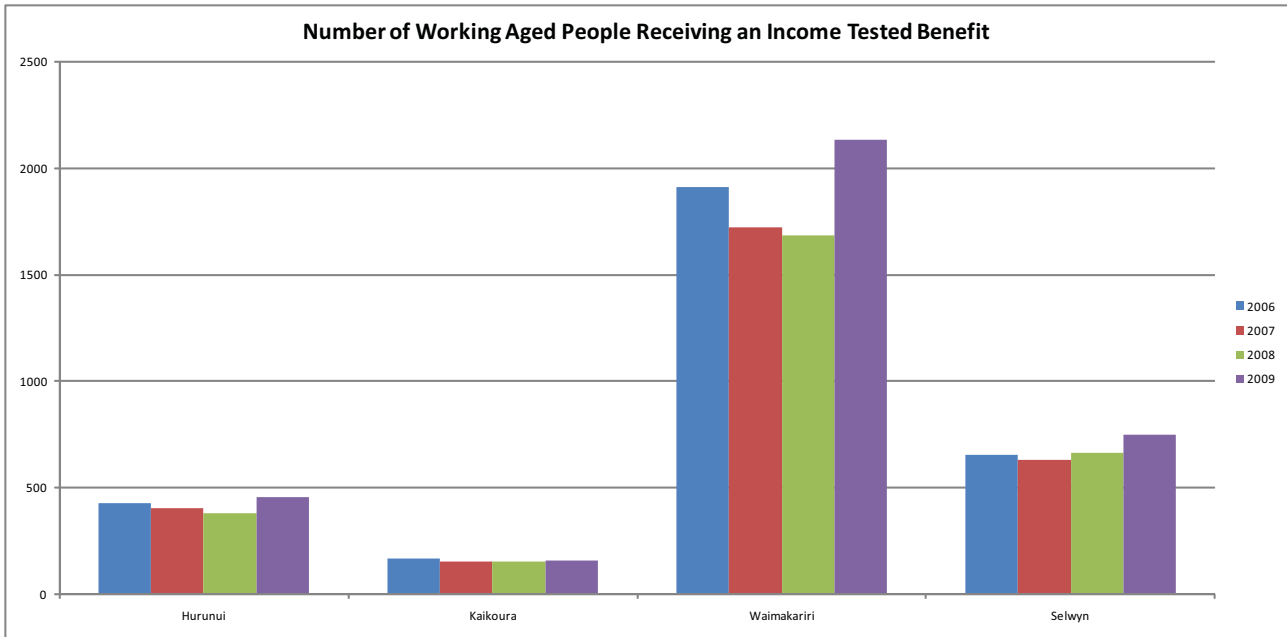
**Current Level and Trends**

The number of people on income tested benefits decreased from 2006 to 2008. It has increased in the last year and it is expected that this is a result of the recession and most districts have been affected by this. Kaikoura is the only district around the Hurunui to not have experienced an increase. Waimakariri experienced the largest increase with a 27% increase, while we experienced a 20% increase in the past year.

**Conclusion**



This is a sign that the recession is affecting people's ability to find employment. It is predicted that unemployment levels will rise in future months so it is expected that this will probably increase.



**General Characteristics of age recipients of main benefits (aged 18–64 years)**



Indicator 3.8

**Percentage and average numbers of employees**

Relevance

The percentage and average number of employees in each type of industry and in each business of each particular type gives an indication as to the diversity of the economy.

Current Level and Trends

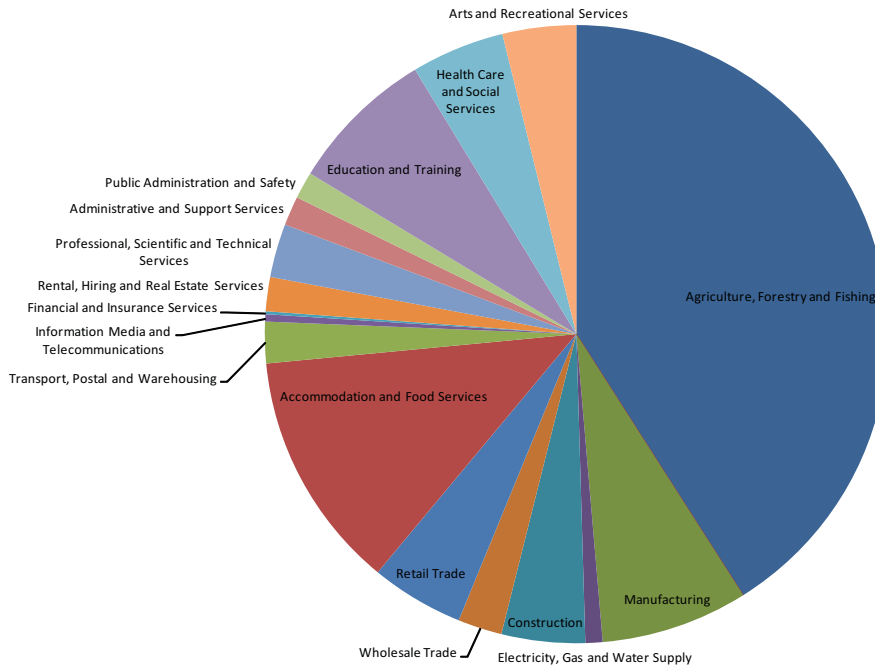
As the graph show, both currently and historically, the largest percentage of employees in the Hurunui District work in agriculture, forestry, and fishing, although this has dropped slightly over the last few years. The businesses in these areas tend to be small operations, with an average of only one employee per business (although this has increased slightly over time). The next biggest percentage of employees work in accommodation and food services, and this percentage seems to be increasing slightly over time, with a drop off this year, which could be attributed to the economic recession.

Conclusion



The percentage of employees in each type of industry is tending slightly towards greater diversity, and this is encouraging. The average number of employees in most businesses is increasing, testifying to the growth of these businesses. Some notable exceptions to these trends, which will need to be watched, are public administration and safety and health care and social services.

Percentage of Employees in the Major Industry Types in the Hurunui district



Indicator 3.9

Number of businesses\*

Relevance

Business demographic statistics provide an annual snapshot of the structure and characteristics of New Zealand businesses. Over time this indicator will show whether or not we have new business growth on an annual basis. If new businesses continue to invest in the Hurunui, these in turn will contribute towards a thriving local economy, benefiting the businesses themselves and also local residents.

Limitations

Business demography statistics are limited to those enterprises whose data is maintained in the Statistics New Zealand Business Frame, in particular the number of “geographic units” of business activity (defined as a separate operating unit engaged in New Zealand in one, or predominately one, kind of economic activity from a single physical location or base) for businesses with GST turnover greater than \$30,000 per year.

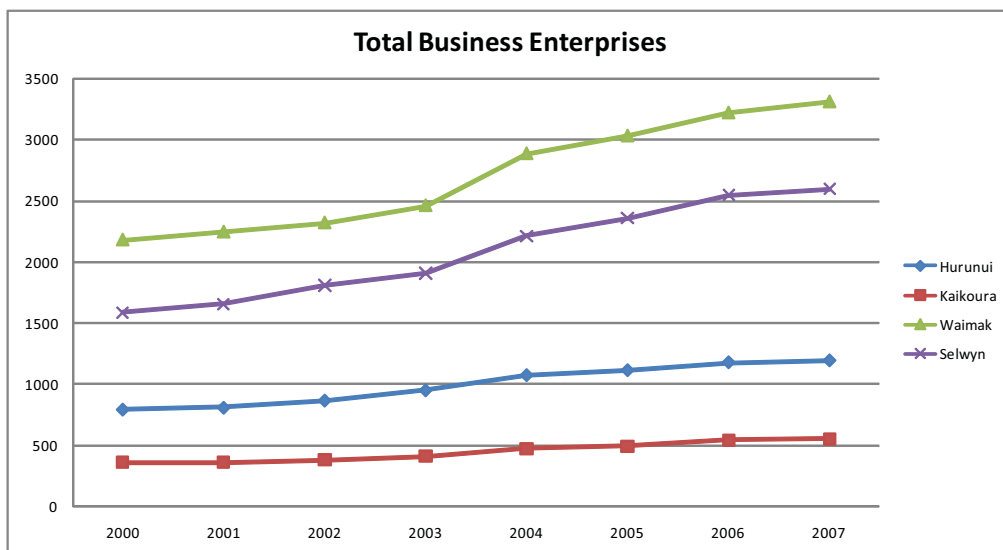
Current Level and Trends

Over the last eight years, the number of businesses (geographic units) in the Hurunui has steadily increased annually, from 1957 in 2000 to 2404 in 2007 (overall a 23% increase), which is the same as the increase nationally over that period.

Conclusion



The number of businesses in the District continues to grow in line with national trends up until the data has been available.



Indicator 3.10

**Distribution of industry by type**

Relevance

A breakdown of the different types of industry within the Hurunui District can tell us how diverse the local economy is. This, in turn, can be an indicator of the health and potential stability of the local economy.

Current Level and Trends

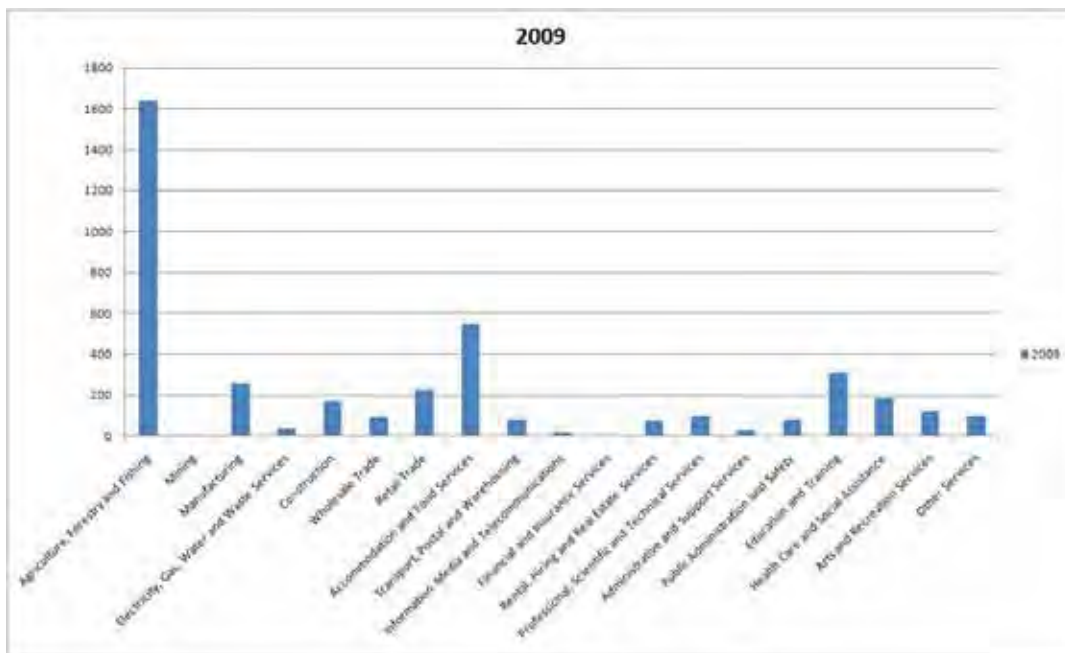
Currently there is reasonable diversity in industry types within the District, although, as would be expected, the largest proportion by far is 'agriculture, forestry and fishing'. 'Rental, Hiring and Real Estate Services' come next, followed by 'Construction', and 'Accommodation and Food Services' industries.

Conclusion



Hurunui's businesses participate in a diverse range of types of industries, and this is a positive indicator of the health and stability of the local economy. It is hoped that this diversity will help the district to recover from the recession better as different industries will be affected to different degrees.

**Industry types in the Hurunui District**



Indicator 3.11  
Indicator 3.12  
& Indicator 3.13

**Access to telecommunications services**  
**Telecom and Vodafone mobile coverage areas**  
**Access to, and satisfaction with, broadband**

Relevance

The extent to which telecom services cover the Hurunui district will potentially have a major impact upon the strength of the local economy.

Limitations

The maps don't shown don't provide particularly accurate information and they are only a guide to where coverage might be expected. Topography can be expected to be an influencing factor on coverage in the Hurunui district.

Current Level and Trends

Currently there are four major providers of internet and mobile services. Map of coverage areas are available on their websites, although they are not generally of very good quality in the Hurunui district. In the 2006 census only 58.8% of people had access to internet compared with 60.5% for the country. The access to fax machines in the district is significantly higher than the national average, which suggests that this is being used instead of email across the district. It is hoped that changes in the telecommunications industry will lead to more coverage and better access across the district.

Generally good mobile coverage can be accessed along SH1 through the district and along SH7 to Hanmer Springs. There are areas in the district that do not have access to mobile coverage, such as Waiau.

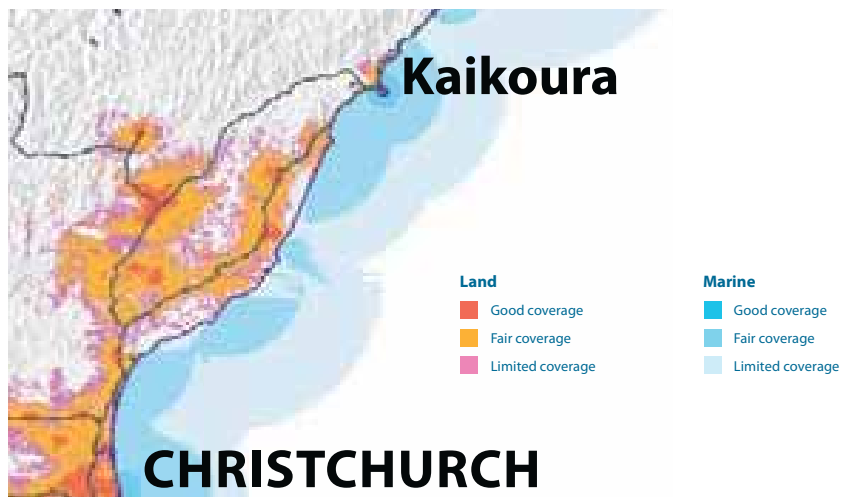
Information on coverage of broadband is more difficult to access. Mobile broadband can be accessed on the Telecom network where mobile coverage is available and Vodafone offers extended 3G across much of the district. Amuri.net has also been established providing broadband to rural residents in parts of the District.

Conclusion



Access to telephone and internet is in line with national averages, but there is not much data specific to broadband availability, and there is room for improvement in all areas.

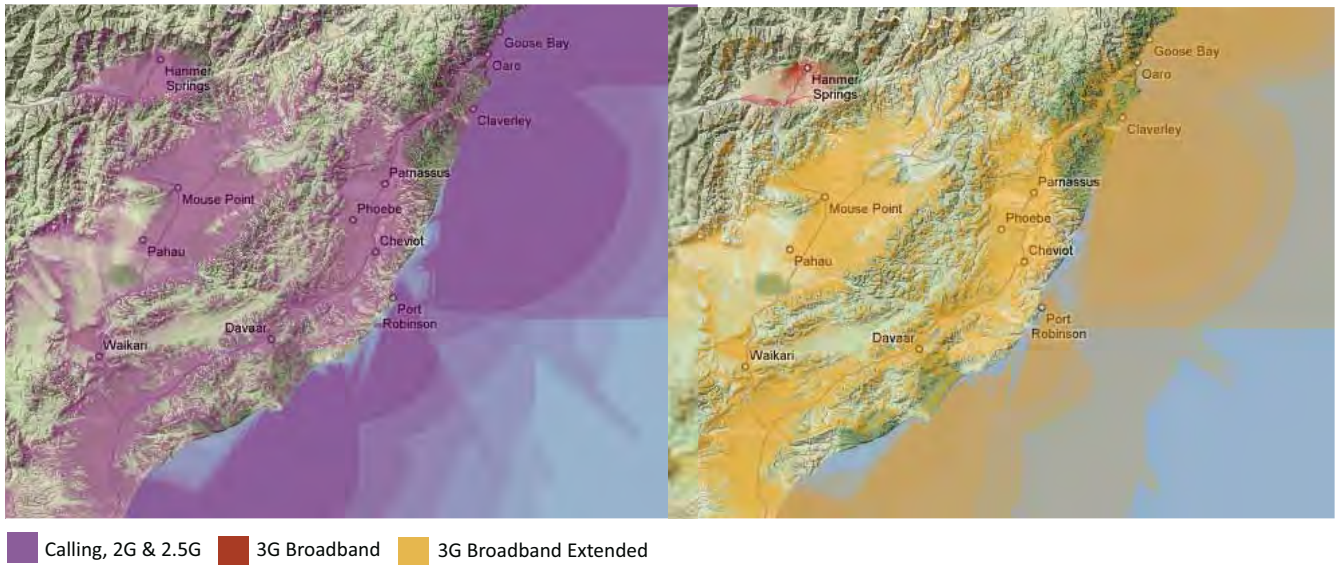
**Telecom Mobile Coverage in the Hurunui District**



**2 Degrees Mobile Coverage in the Hurunui District**



### Vodafone Coverage in the Hurunui District



### Telstra Coverage in the Hurunui District



### Access to Telecommunications in General (Percentage of People, 2006 Census)

	Hurunui	NZ
No access	2.0	2.0
Cellphone	71.2	74.2
Telephone	92.8	91.6
Fax Machine	43.1	26.0
Internet	58.8	60.5

## Community Outcome 4:

## "ESSENTIAL INFRASTRUCTURE"

To enhance this outcome, we need to have:	We will know we are succeeding when:	Progress will be measured using these key indicators:
<ul style="list-style-type: none"> <li>Water quality and quantity management systems that provide good, clean household drinking water and continuity of supply for agriculture, horticulture and in the event of an emergency</li> <li>A safe, quality roading network that is well maintained</li> <li>Sewerage systems that support the development of the District and protects the physical environment and health of the community</li> <li>Public toilets that meet the expectations of visitors and residents, and also provide an environmental and public health service</li> </ul>	<ul style="list-style-type: none"> <li>People feel the District's infrastructure meets their needs</li> <li>Water quality and quantity improves</li> </ul>	<ol style="list-style-type: none"> <li>Quality of drinking water throughout the District</li> <li>Rate of consumption versus supply of water</li> <li>People's perception of the quality and quantity of water available</li> <li>People's perception of the safety and maintenance of roads in the District</li> <li>Road roughness in the District</li> <li>Compliance of discharge consents for wastewater</li> <li>People's perception of the quality and quantity of public toilets in the District</li> </ol>

The following pages demonstrate how we are progressing against the 5 key indicators listed in the above chart.

The following key is used to show how we are going against each measure:



This face indicates where the levels and trends in the data indicate that we are not doing as well as we could be and action may need to be taken, either to investigate the problem more fully, or to take action to remedy it.



This face indicates where the levels and trends in data indicate that we are doing OK but that there is room for improvement. This may require action or just continued monitoring.



This face indicates where the levels and trends in the data show that we are doing well in this measure.



Indicator 4.1

**Quality of drinking water throughout the District**

Relevance

Safe drinking water is a big issue in the Hurunui. The National Drinking Water Standards are not consistently being achieved throughout the Hurunui. With many schemes in the district that supply both domestic, agriculture and commercial needs, this is an area that continues to be difficult to address.

Limitations

Data is only available for Council owned schemes.

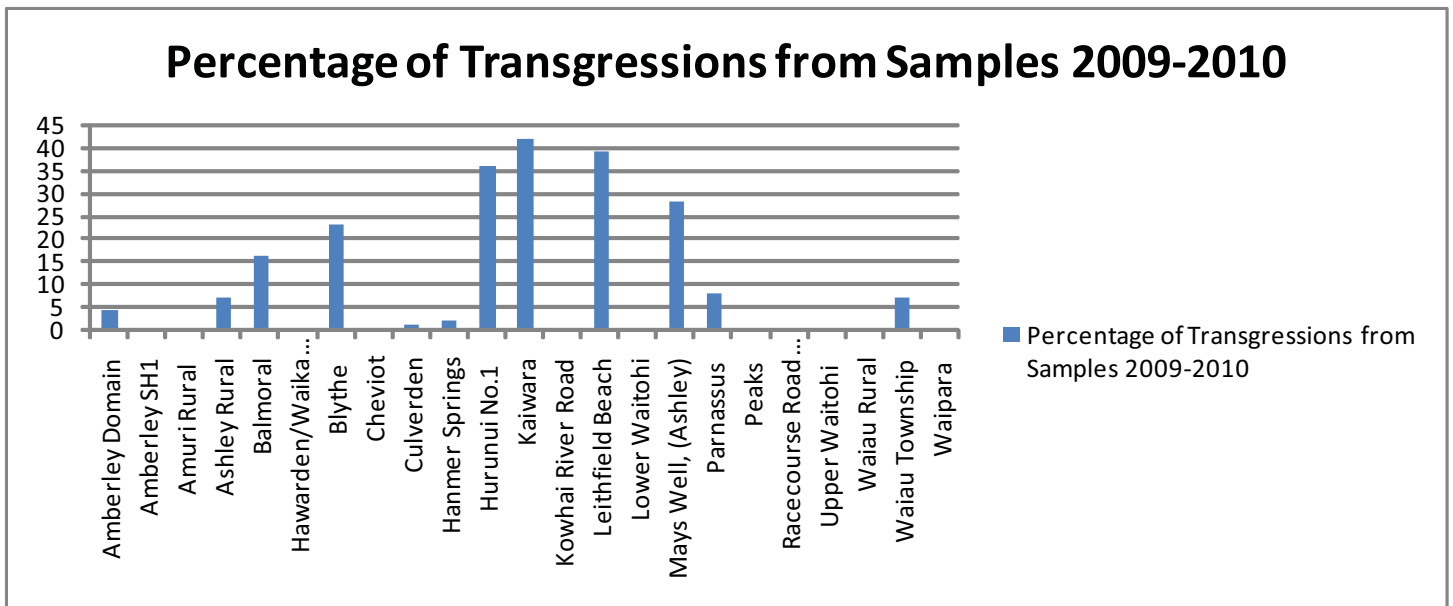
Current Level and Trends

Overall there is a small percentage of failed quality water tests, with over 50% of tests taken finding no transgressions. This will be interesting data to analyse over time and to see what outside influences may have on these results.

Conclusion



Progress towards achieving quality drinking water has been prioritised by the Hurunui District Council, and upgrading of systems continues in accordance with consumer expectations, legislative requirements and available funding.



\* Each plant has had a different number of samples taken. This graph shows percentages of transgressions from samples taken, individually for each plant.

Indicator 4.2

**Rate of consumption versus supply of water**

Relevance

It is important that the infrastructure in the District meets people’s needs. The rate of consumption versus supply of water is an indication as to whether, and to what extent, these needs are being met.

Limitations

Variations in demand are often the result of environmental factors (weather): more rain = less demand, drought conditions = high demand.

Current Level and Trends

In a survey conducted in February 2010, 78% on town water supply, reported that they were satisfied, there was sufficient water available. This is a significant increase from 2009 at 64%, but 2008 shows 77% residents were satisfied. As is evident from the graphs on the following pages, a lot of the areas demand peaked during the summer months in most areas, but generally remained below the amount of water available, which is determined by the resource consent for each scheme.

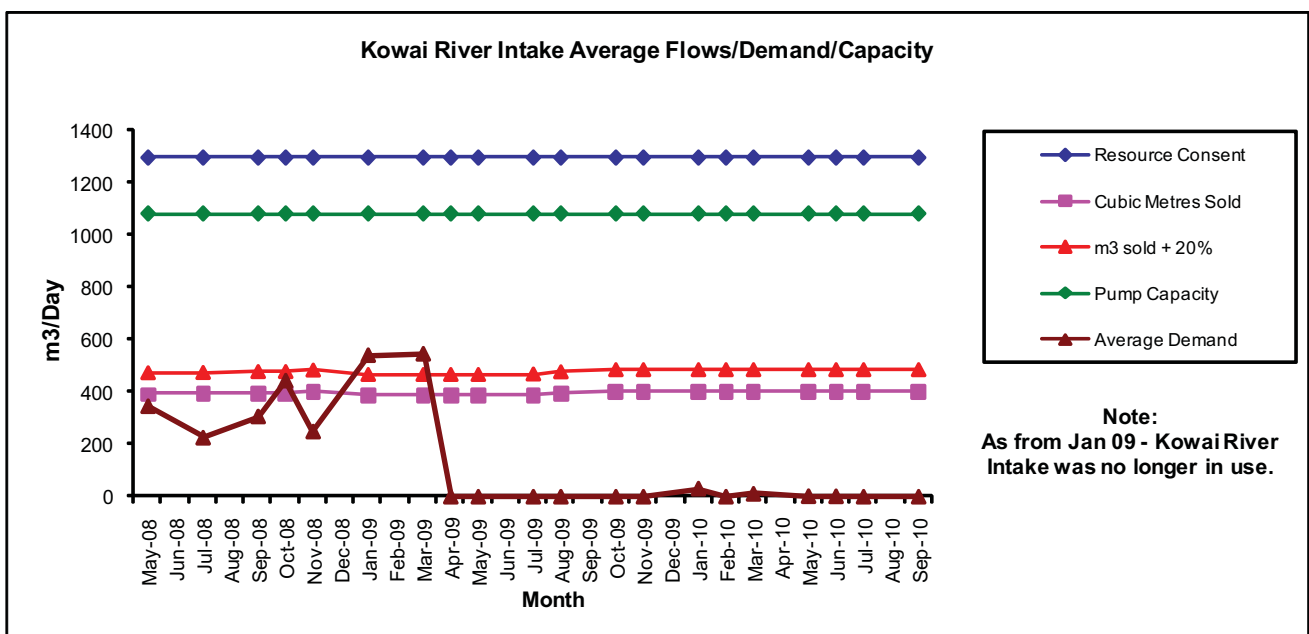
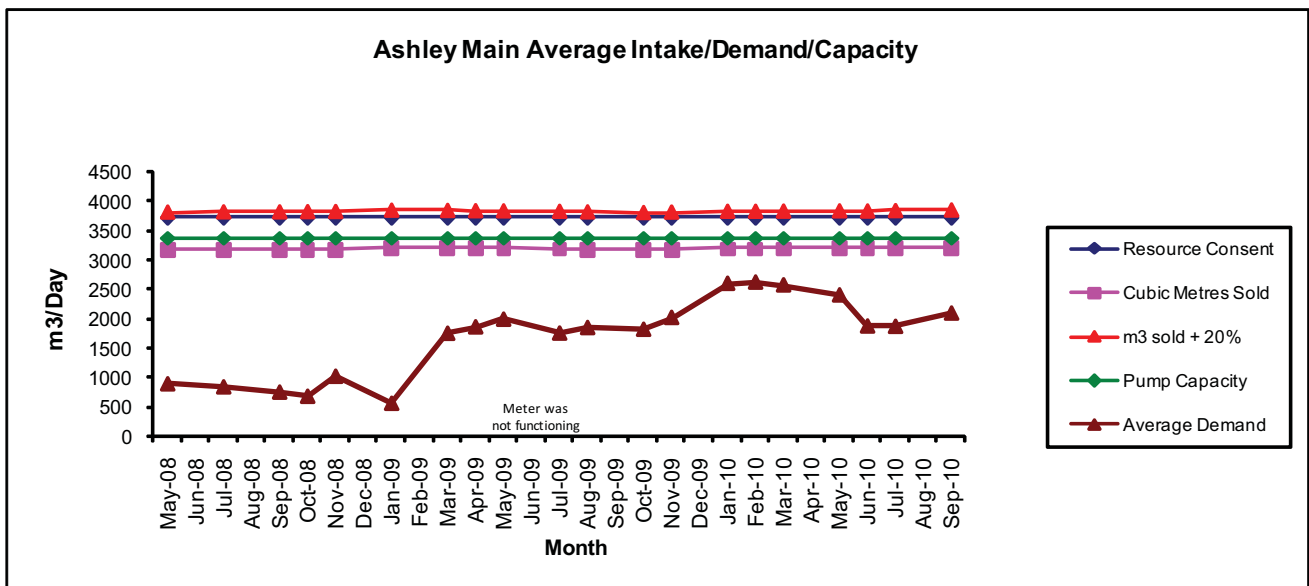
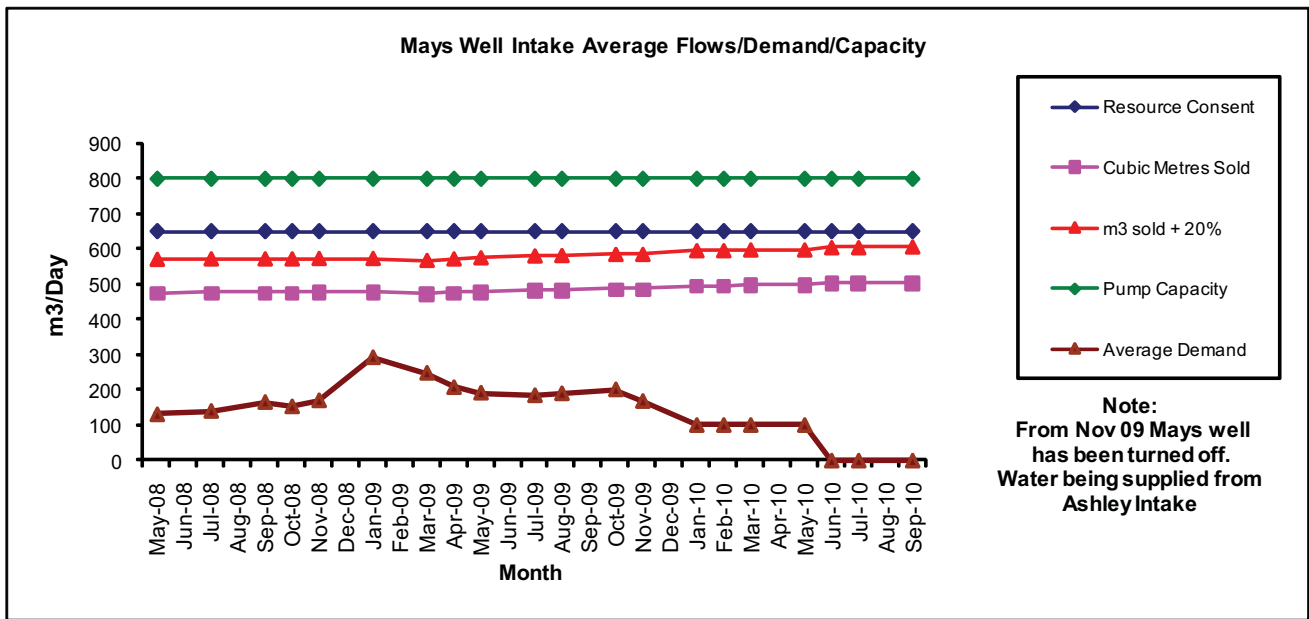
Conclusion:

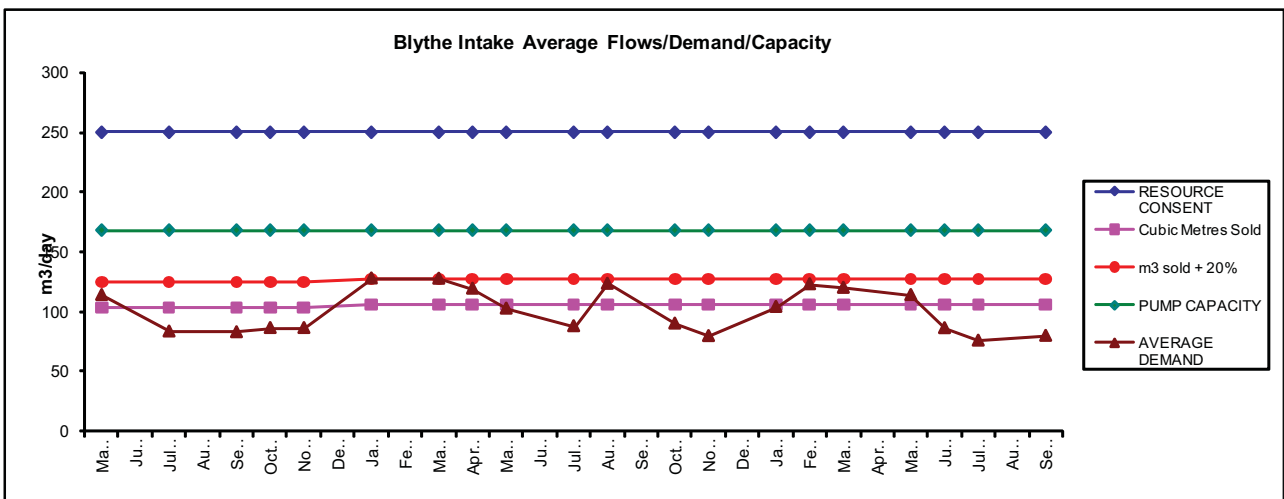
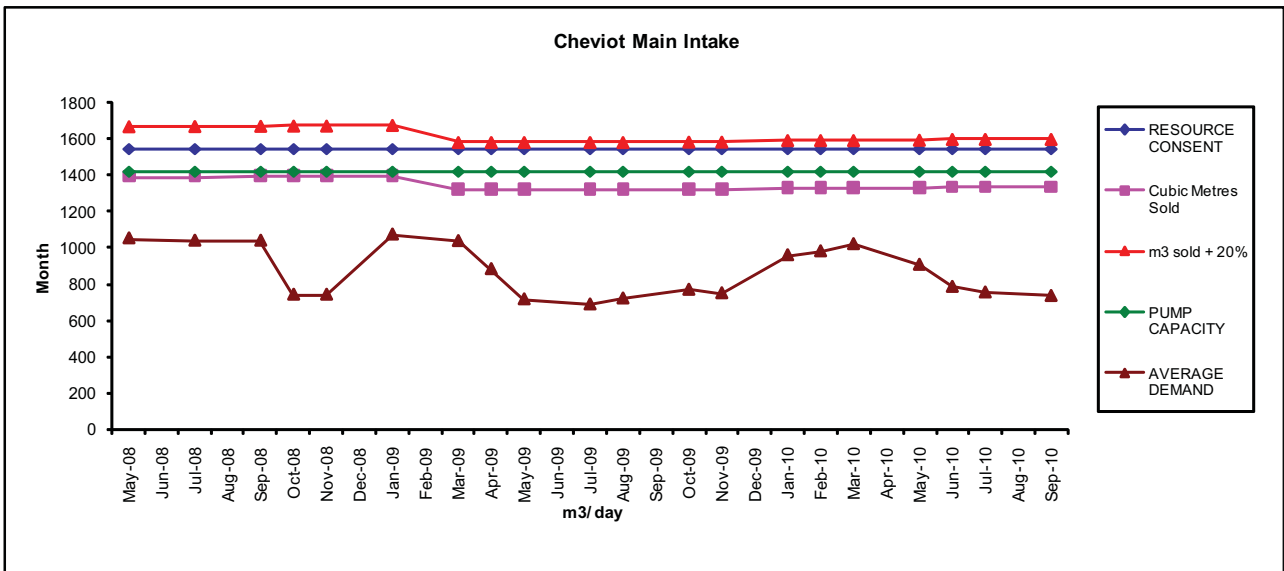
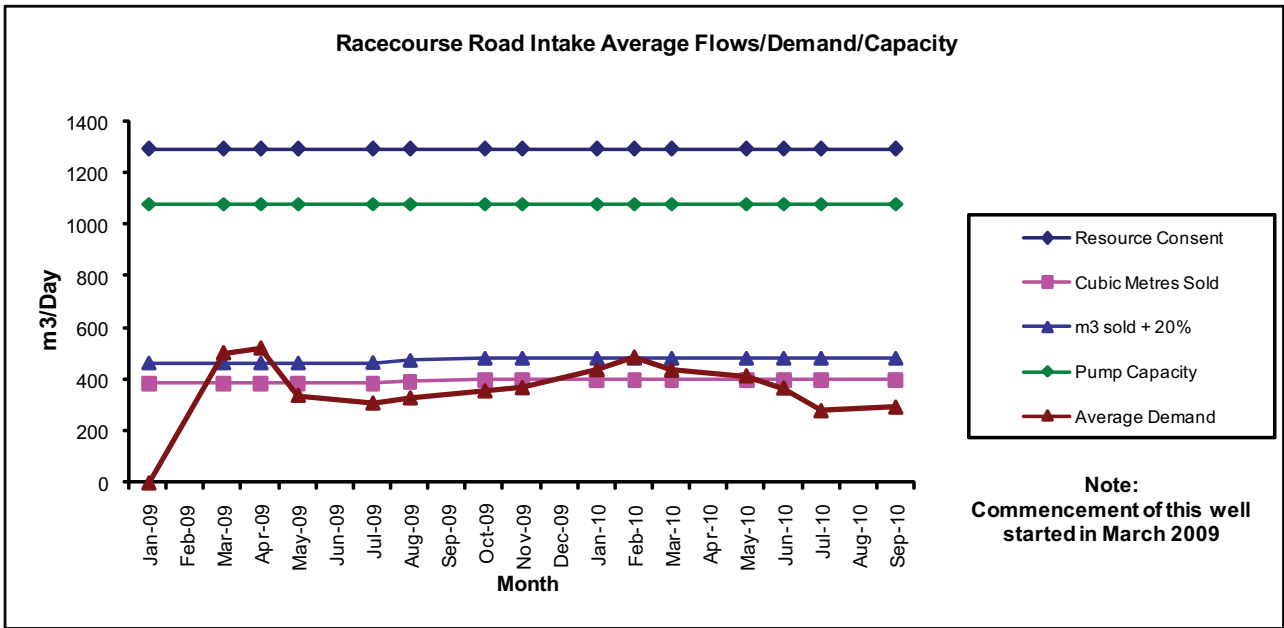


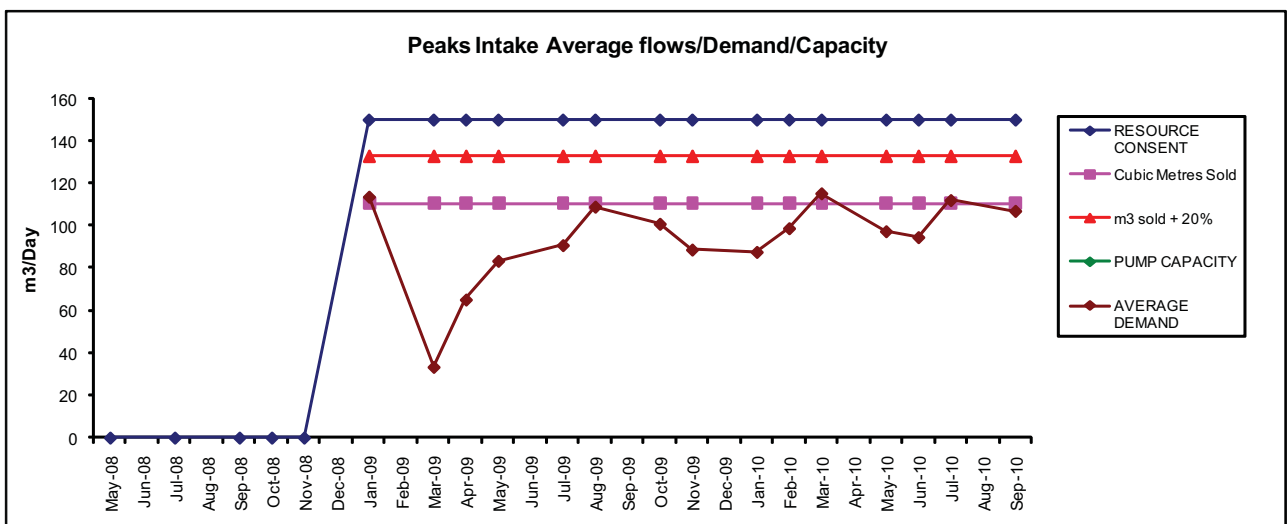
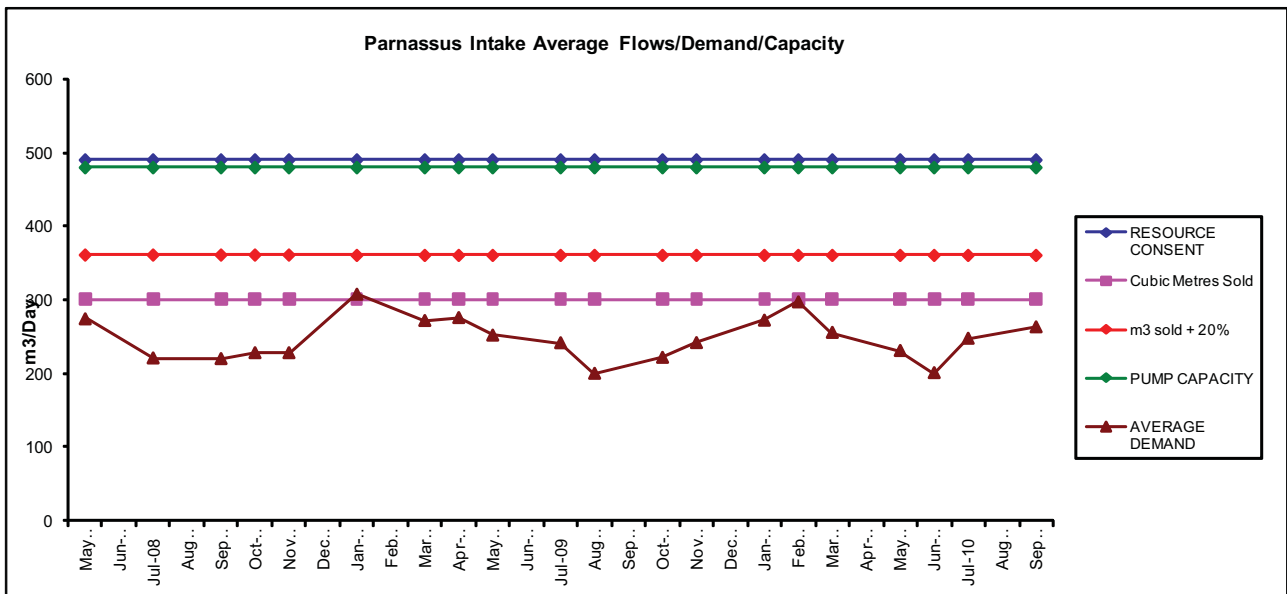
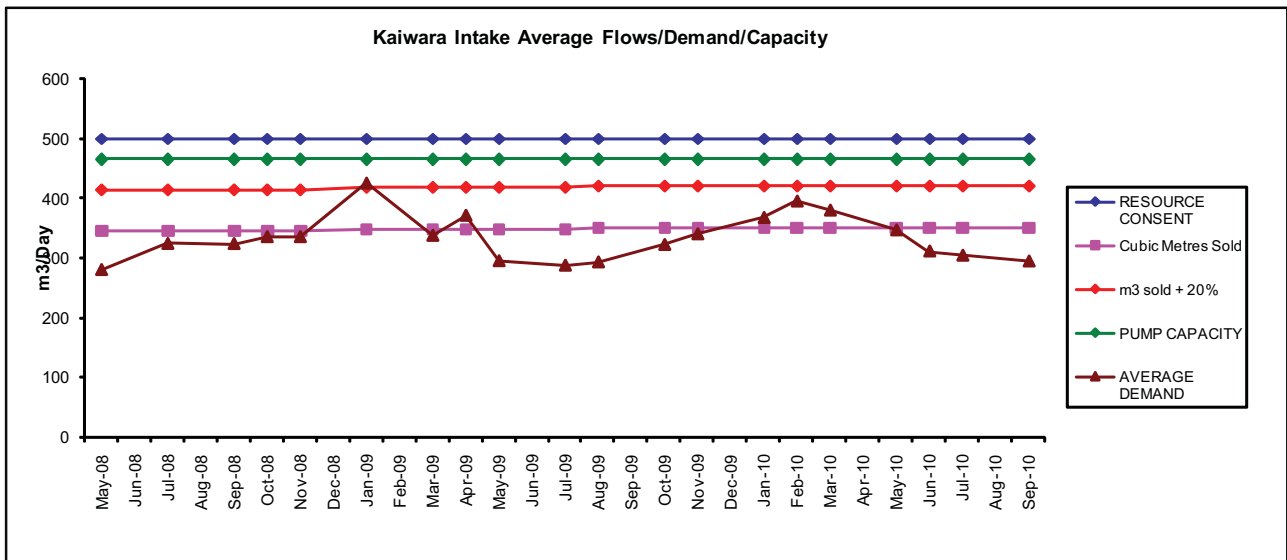
Currently consumption is within the resource consent levels of all of the intakes. Glenmark is the only ward that report satisfaction levels below 75%. Work to upgrade pipework, which may have contributed to the satisfaction level has since been carried out.

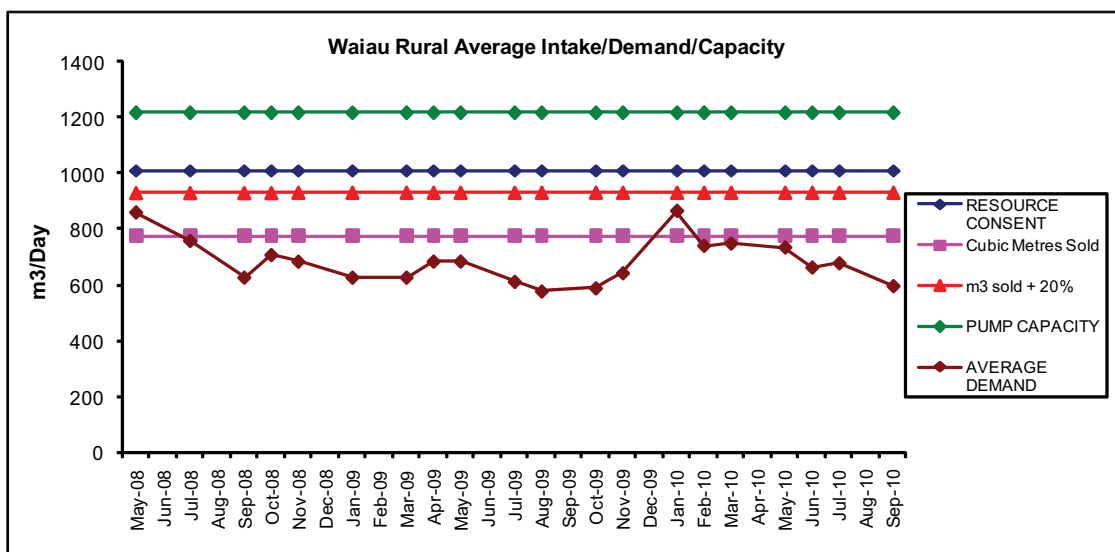
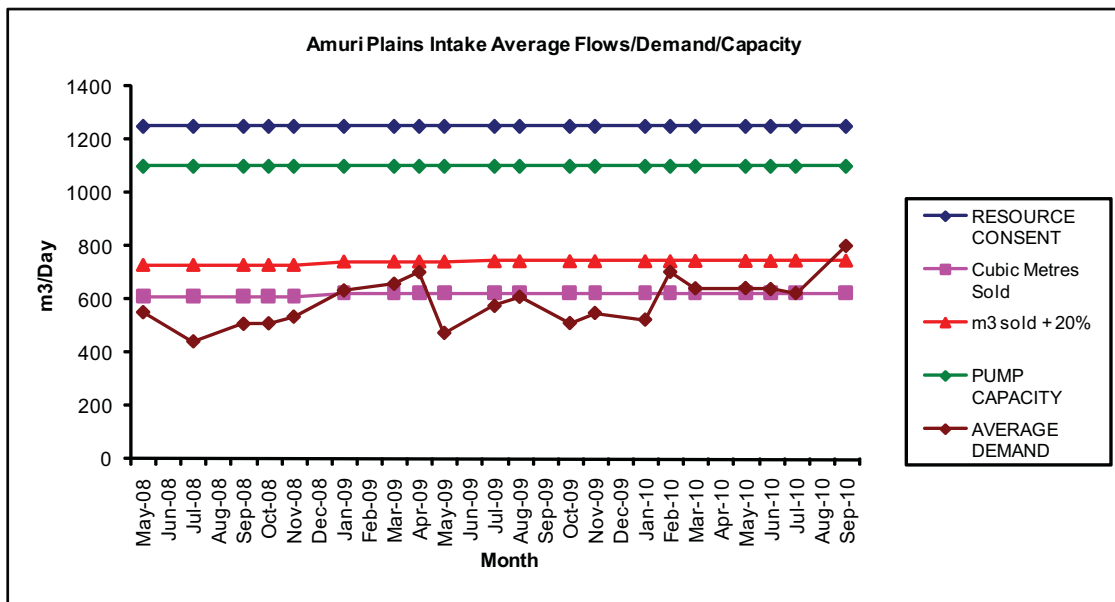
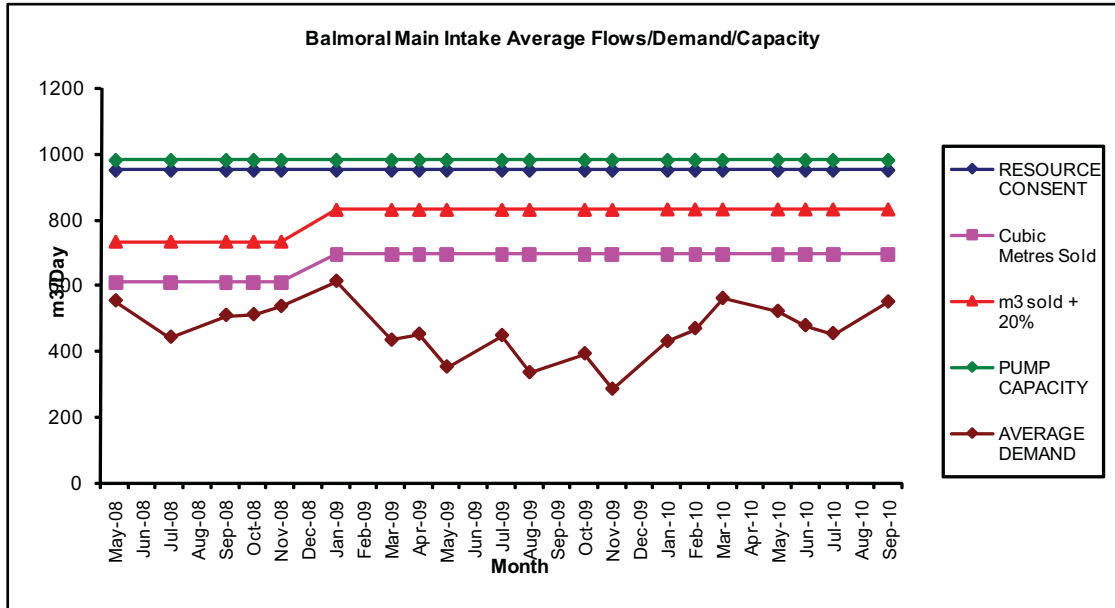


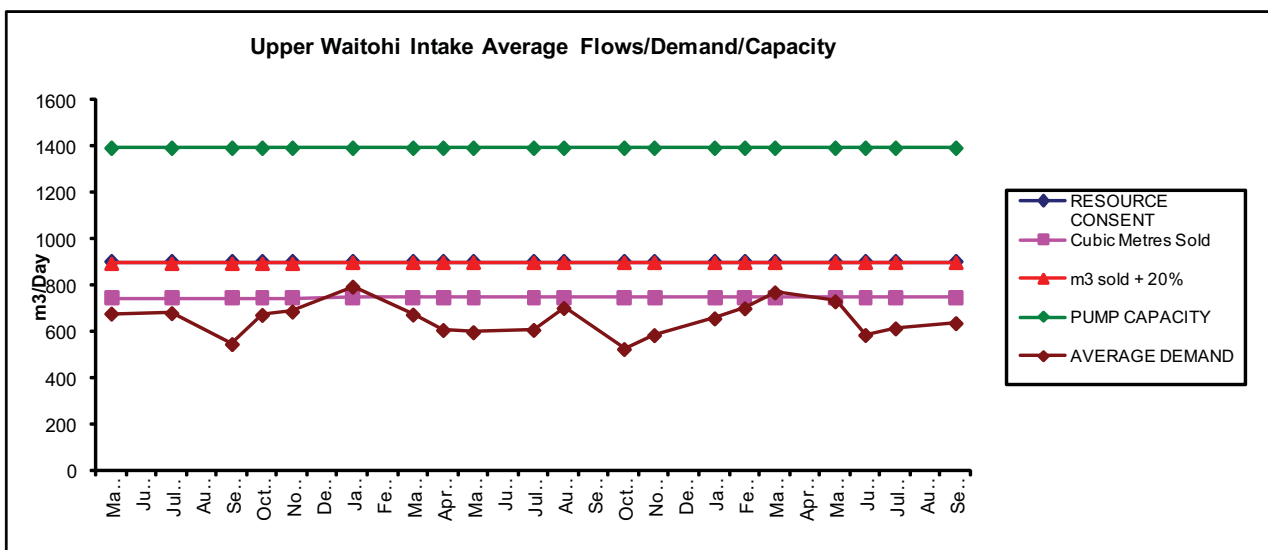
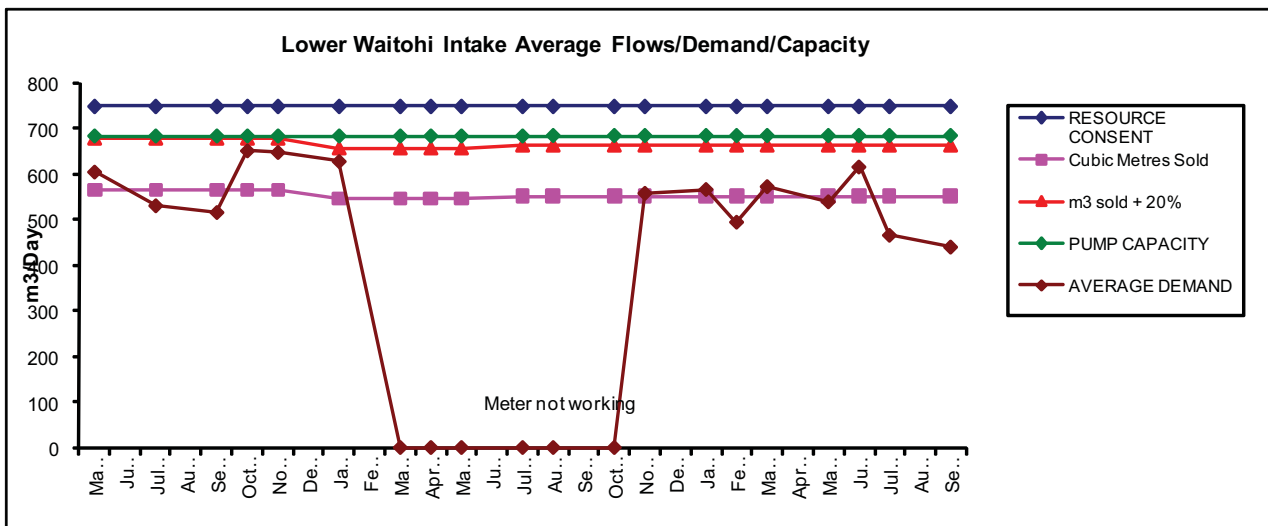
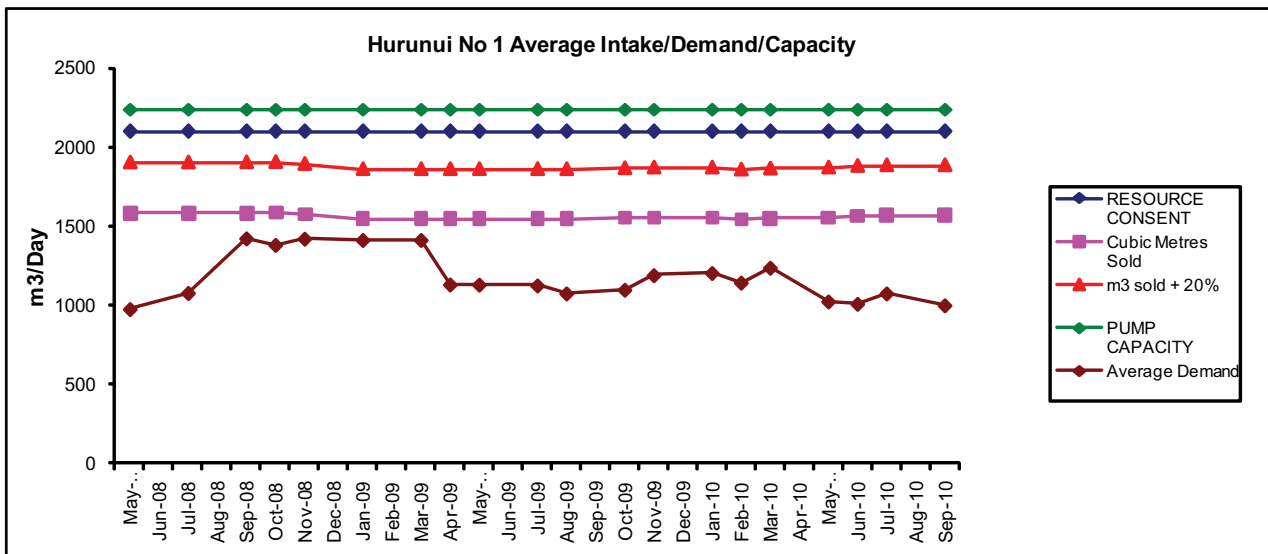
## Demand versus Available Water (Resource Consent Levels) for Water Supply Intakes in the Hurunui District

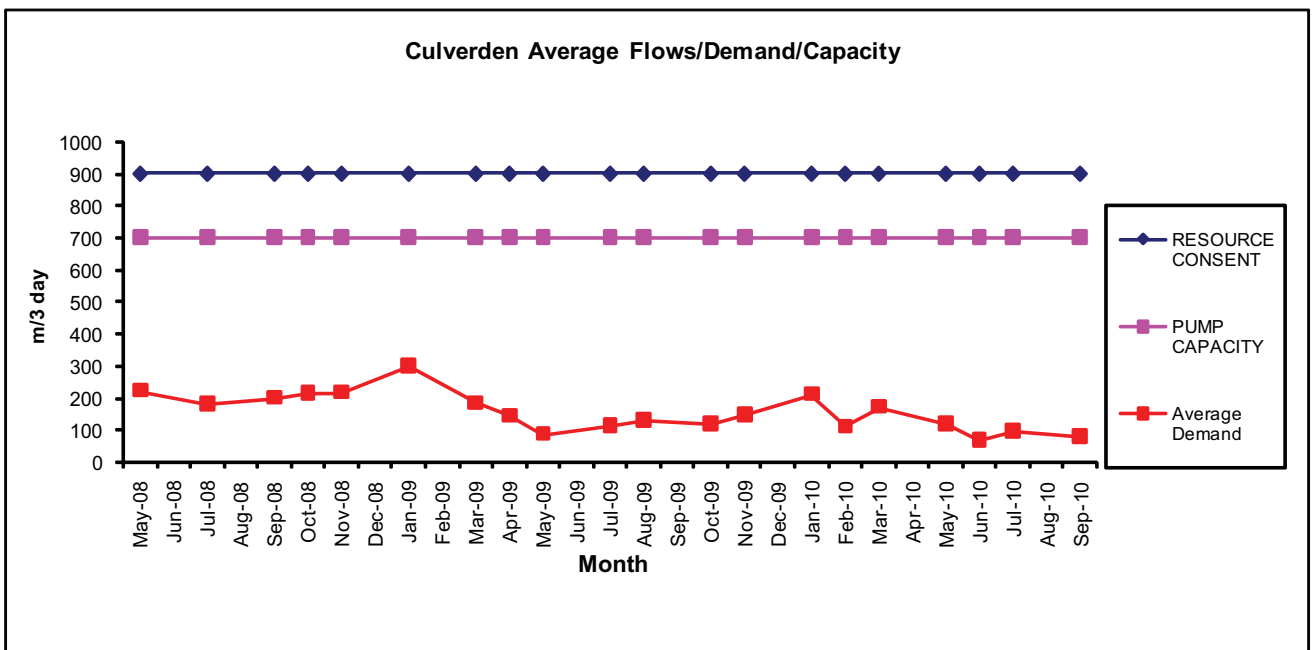
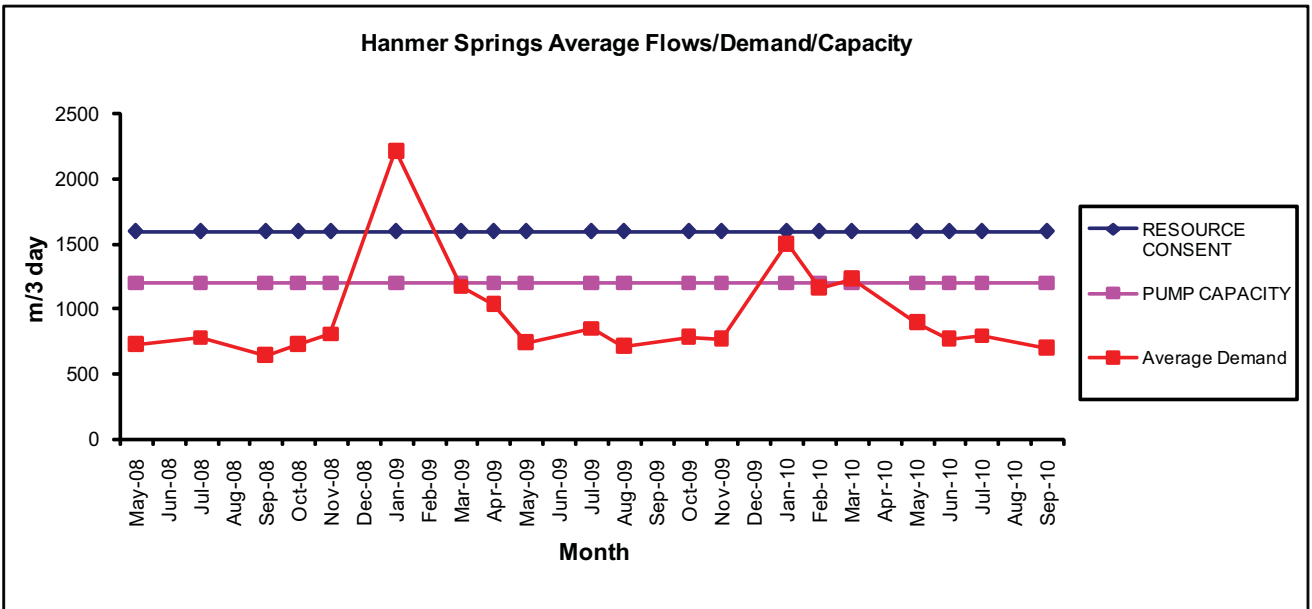
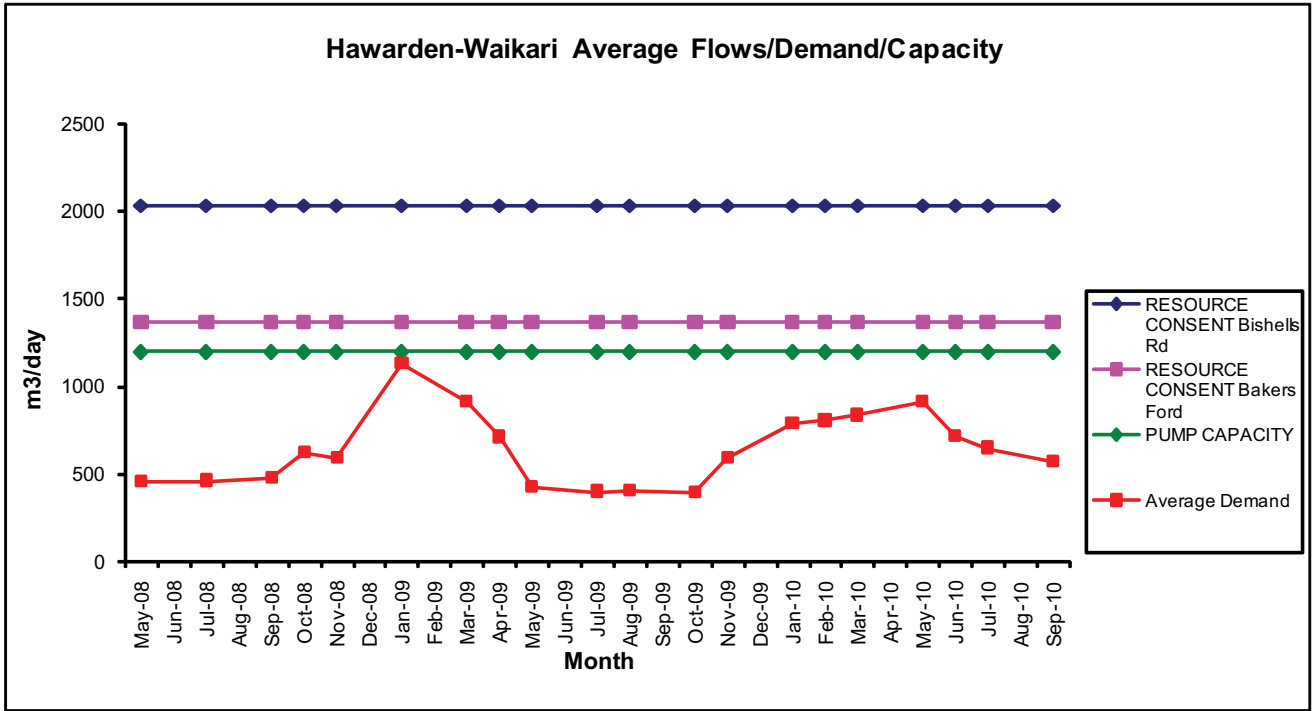


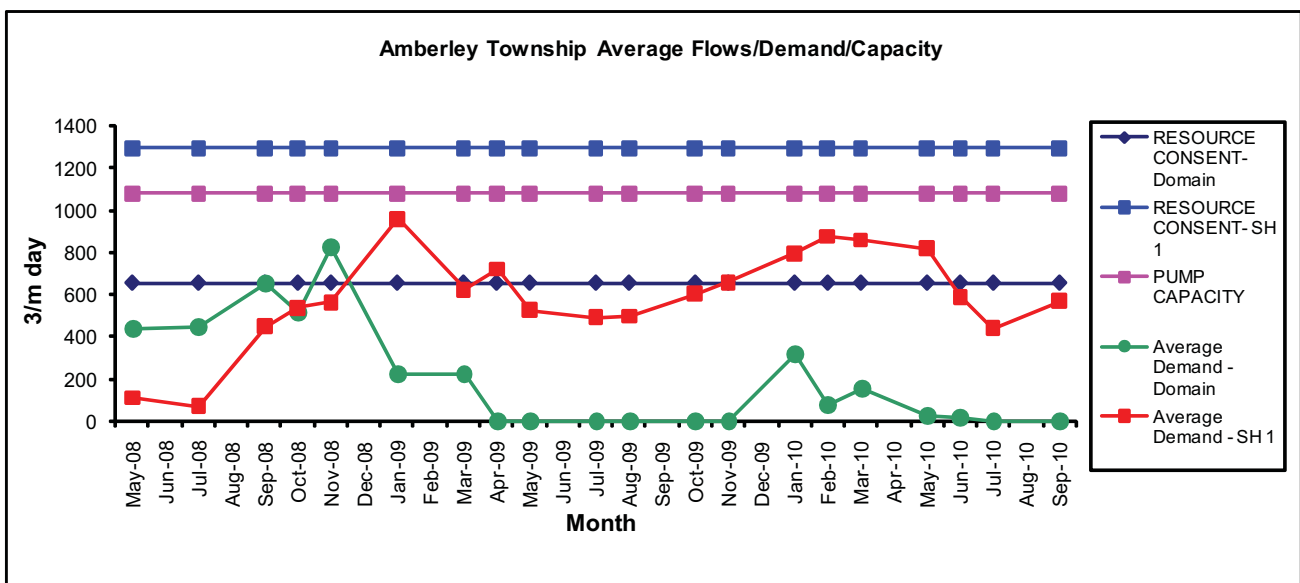
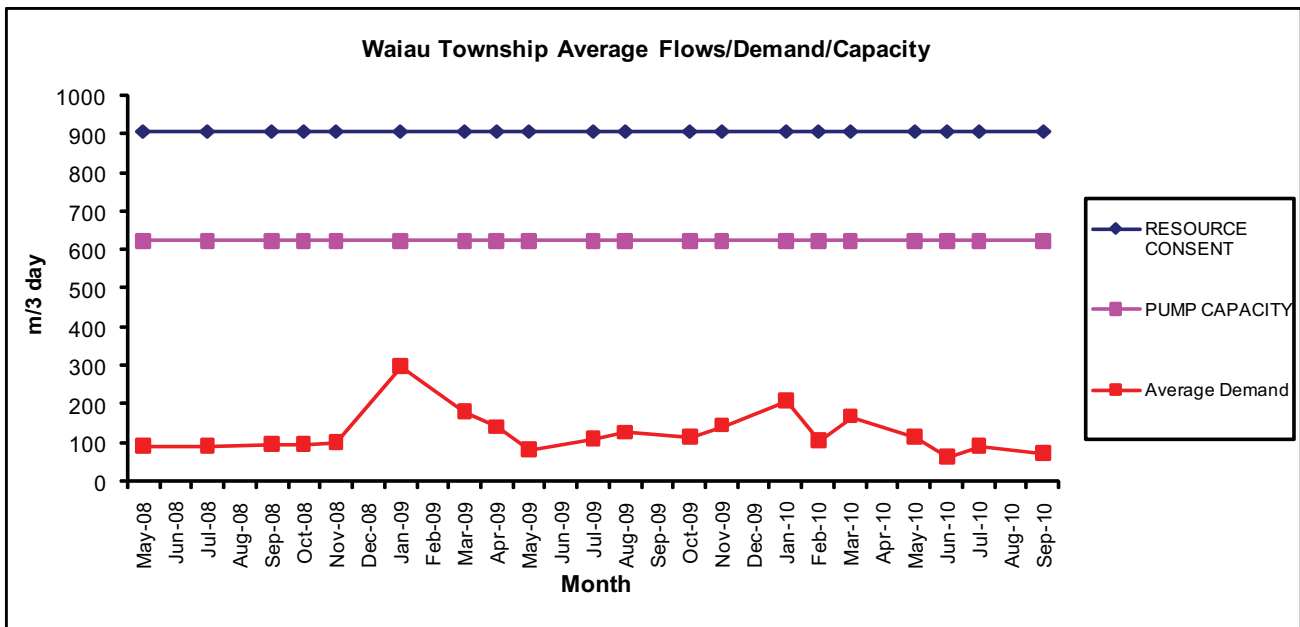
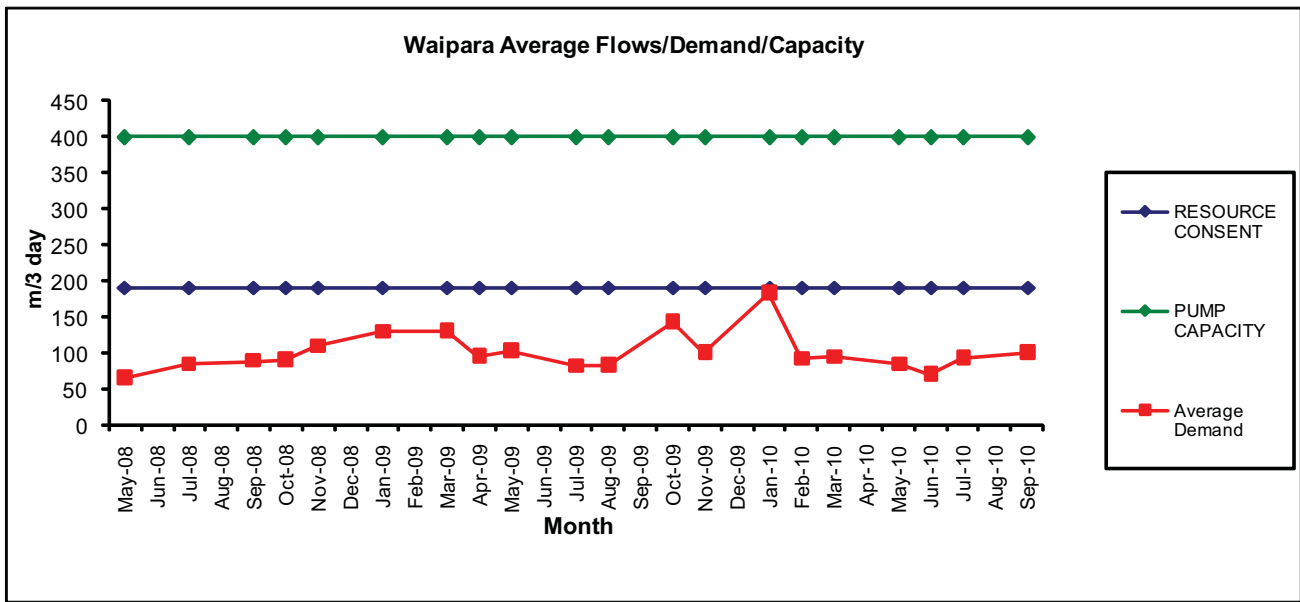


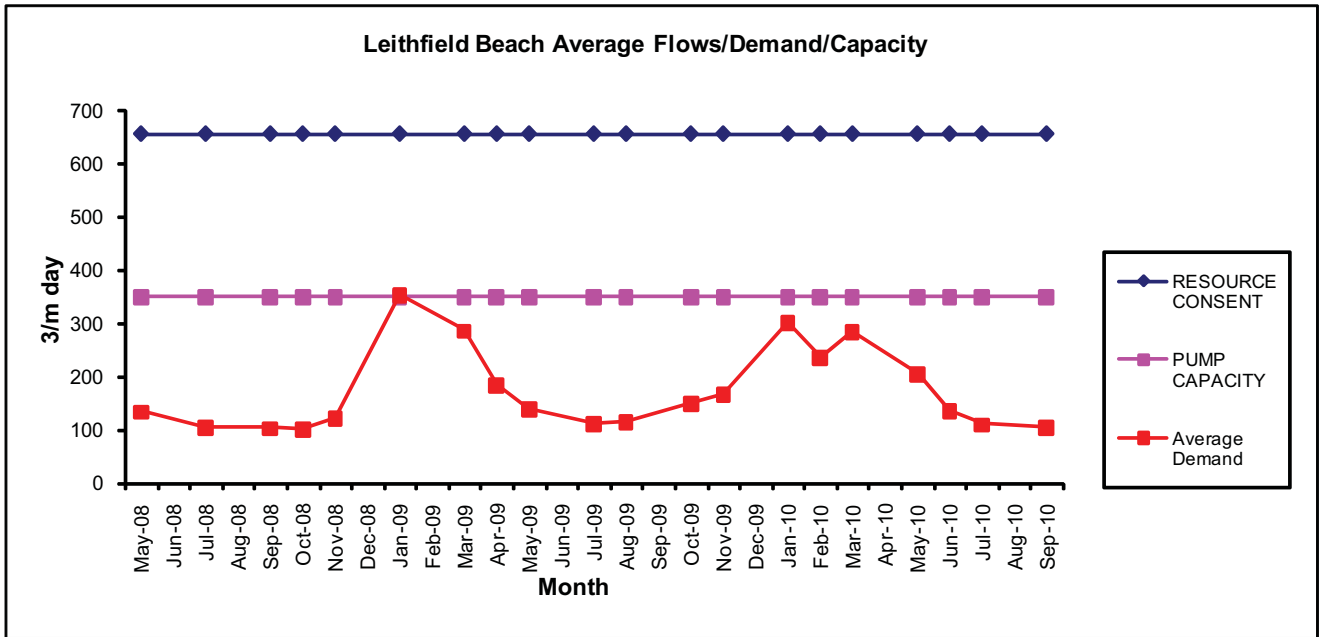












Indicator 4.3

*People's perception of the quality and quantity of water available*

Relevance

This indicator will tell us where there may be a lack in the water quality and quantity provided.

Limitations

This measures residents' views only and not those of visitors to the District.

Current Level and Trends

In the survey conducted earlier in 2010, 77% of residents on town water supply, reported that they were satisfied with the quality water and 84% were satisfied with the supply and flow of water.

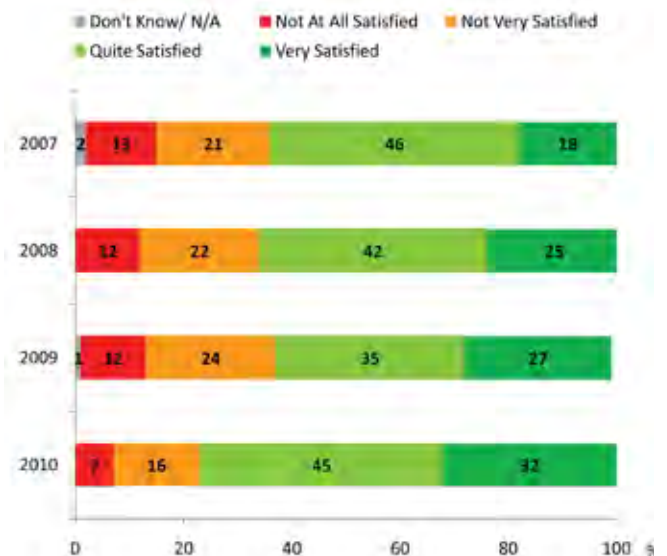
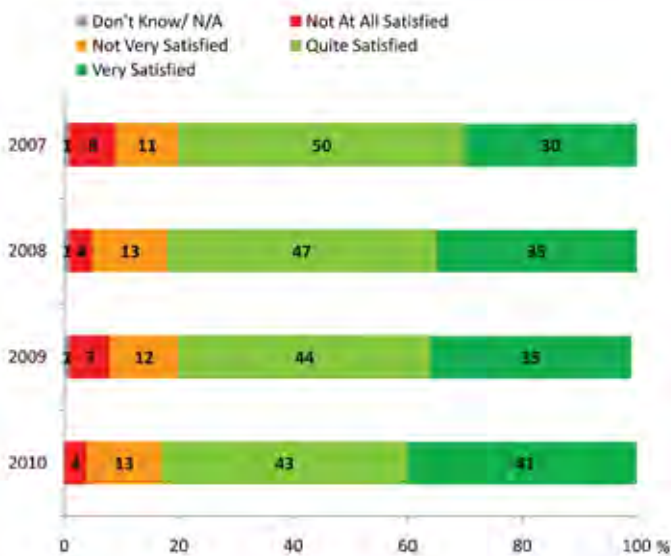
Conclusion



This is a good level of satisfaction, but it is important to continue to look at this measure over time to ensure the high level of satisfaction with amenities in townships remains.

**Water supply and flow**

**Water appearance and taste**





## Indicator 4.4

**People's perception of the safety and maintenance of roads in the District**

## Relevance

The perception of the safety and maintenance of roads in the District is an important measure of how residents view the District's infrastructure and whether or not we have a safe, quality road network that is well maintained.

## Limitations

This measures residents' views only and not those of visitors to the District.

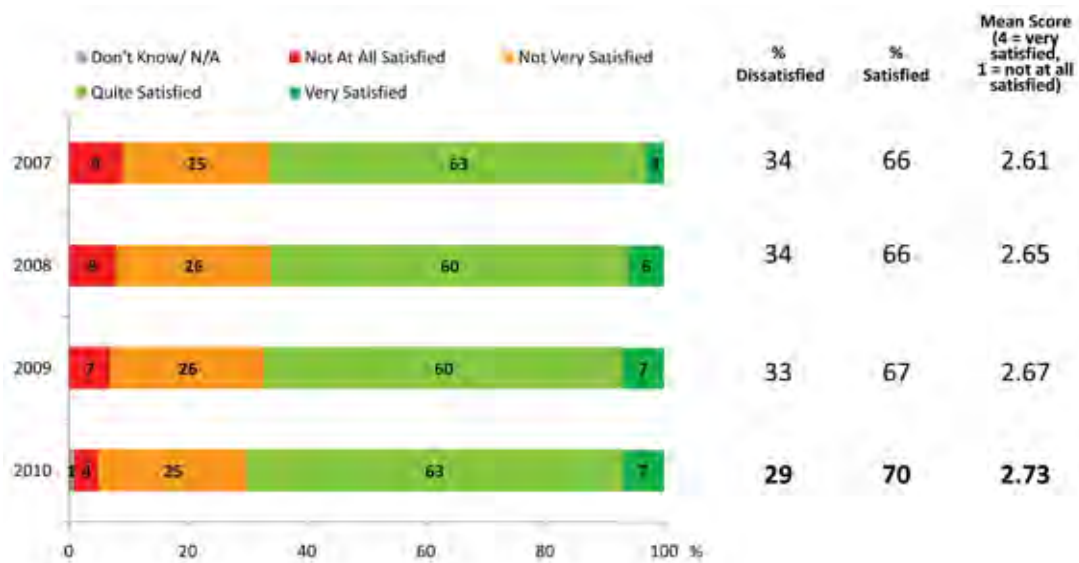
## Current Level and Trends

In the survey conducted in February 2010, 70% of people were satisfied with the overall maintenance of the roads in the District, which is three percent higher than last year. Glenmark and Amuri showed less satisfaction than last year, with the maintenance of their roads

## Conclusion



Results have remained similar in the last couple of years. The Hurunui District road data shows that our roads are generally in line with national averages for smooth travel and roughness. The Council may need to consider communication strategies to ensure that residents are better satisfied.

**Satisfaction with overall maintenance of the roads**

## Indicator 4.5

**Road roughness in the District**

## Relevance

To maintain the District's roads to a standard appropriate for their use and traffic. Road roughness is a very important consideration in evaluating the condition of a given roadway, as it affects the ride comfort for the passenger and vehicle operating cost. Road engineering is interested in road roughness as it is a good overall indicator of the quality of a pavement and influences road user satisfaction, tyre rolling resistance and vibration noise, as well as vehicle operating costs. The perception of road roughness in the District is an important measure of how residents view the District's infrastructure and whether or not we have a quality road network that is well maintained.

## Limitations

The data is analysed and assessed for the most cost effective remedial/renewal forward works programme (whole of life costs and determined value for money). However, these maintenance and upgrade requirements must be within affordable levels of our set annual budgets.

## Current Level and Trends

Performance measures dictate that the roading survey data (RAMM) carried for the Hurunui District's roads compares favourably with other rural Councils, similar in characteristics to the Hurunui District. The roading department has lifted this bar to compare favourably with the national averages of all councils. Smooth travel exposure for Hurunui's roads is 98% (2008/2009), the same as the previous year; with the national average at 85% (a higher value is better). The percentage of "rough" roads in the Hurunui is 3.5% (2008/2009), slightly higher than the previous year, with the national average at 9.1% (a lower value is better). In the customer satisfaction survey conducted in February 2010, 74% were satisfied with the standard of the sealed roads within the Hurunui (62% in 2007; 67% in 2008; 69% in 2009), which is up by five percent from last year. 70% were satisfied with the overall maintenance of all the roads in the district (66% in 2007; 66% in 2008; 67% in 2009), which is up by three percent from last year.

Conclusion



39.5 kilometres (6.6% of sealed network - reseal every 15 years, subject to need) of the sealed roads were resealed in the 2009/2010 financial year. 32330 square metres (approximately 5.2 kilometres (0.9% of sealed network)) of sealed roads were given pavement treatment in the 2009/2010 financial year to improve their strength characteristics, based on the selected treatment being a more cost effective solution than the ongoing maintenance costs. The last audits of the roading network, undertaken by New Zealand Transport Agency, confirm that the roading network is of a satisfactory condition.

Indicator 4.6

**Compliance of discharge consents for wastewater**

Relevance

The health of the community is protected by ensuring that all discharges from wastewater treatment plants are in accordance with conditions of resource consent. The Canterbury Regional Council regularly monitors all consents.

Limitations

The monitoring reports produced by the Regional Council provide a ‘snapshot’ in time of the state of the discharges, but in most cases the Council also carries out its own continuous monitoring and is able to observe any changes and take immediate remedial action if necessary.

Current Level and Trends

As at July we had 4 consents with minor non-compliance issues. As at the end of June 2010, 2 of the 131 conditions within the 12 consents for wastewater plants had conditions with “significant or major non-compliance” Both conditions relate to maintenance of field records and have no impact on public health.

Conclusion



The Council’s 7 wastewater treatment plants serve 10 urban communities within Hurunui District. In each case the treatment is by way of oxidation ponds.

Indicator 4.7

**People’s perception of the quality and quantity of public toilets in the District**

Relevance

This indicator will tell us where there may be a lack in the number or the quality of amenities provided.

Limitations

This measures residents’ views only and not those of visitors to the District.

Current Level and Trends

In the survey conducted in February 2010, 78% of residents reported that they were satisfied with the quality of public toilets, which is the same result as the 2009 survey. Of those who visited public toilets 90% were satisfied with the quality. When compared to other Councils this is a high level of satisfaction. Satisfaction with cemeteries, parks, reserves, and halls was also high, and at levels similar to those reported in 2008 and 2007.

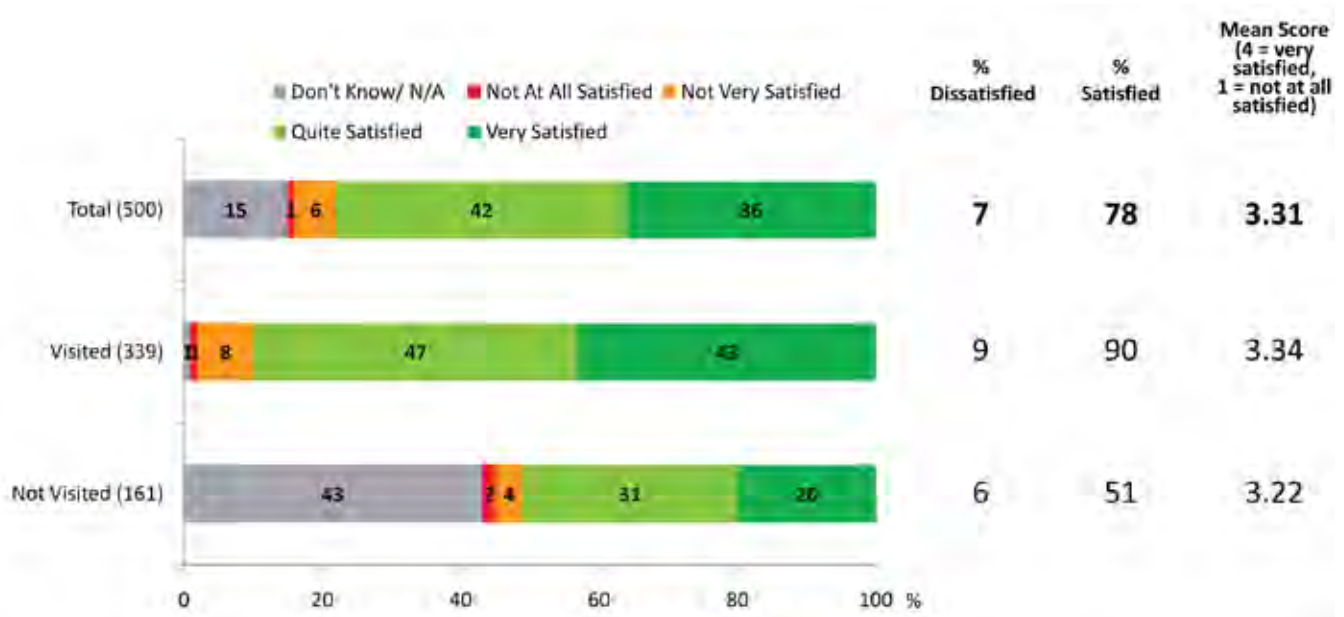
Conclusion



This is a good level of satisfaction, but it is important to continue to look at this measure over time to ensure the high level of satisfaction with amenities in townships remains.



## Satisfaction with the quality of public toilets



Community Outcome 5:

"ENVIRONMENTAL RESPONSIBILITY"

To enhance this outcome, we need to have:	We will know we are succeeding when:	Progress will be measured using these key indicators:
<ul style="list-style-type: none"> <li>• Clean and plentiful water in our rivers, lakes and streams</li> <li>• Beaches/ocean in a healthy condition</li> <li>• An effective recycling service and to be actively working towards the target of zero waste</li> <li>• Environmental safeguards and protection for natural assets balanced with property owner’s rights</li> <li>• Clean, healthy air quality</li> </ul>	<ul style="list-style-type: none"> <li>• The District's environment is protected</li> <li>• Damage to our environment reduces</li> <li>• Waste to landfills reduces</li> </ul>	<ul style="list-style-type: none"> <li>5.1 Swimming water quality</li> <li>5.2 No. of days that monitored rivers drop below ECan minimum flow levels</li> <li>5.3 Levels of waste to landfill and percentage and type of waste recycled</li> <li>5.4 Dollars invested in Environmental Awards</li> <li>5.5 Hectares protected under QEII covenants</li> <li>5.6 Area of Native Vegetation</li> <li>5.7 Spread of wilding trees</li> <li>5.8 Number of nassella per hectare</li> <li>5.9 Number of possums, ferrets and rabbits</li> <li>5.10 People’s perception of environmental issues that need to be further investigated or better managed in the District</li> </ul>

The following pages demonstrate how we are progressing against the 10 key indicators listed in the above chart.

The following key is used to show how we are going against each measure:



This face indicates where the levels and trends in the data indicate that we are not doing as well as we could be and action may need to be taken, either to investigate the problem more fully, or to take action to remedy it.



This face indicates where the levels and trends in data indicate that we are doing OK but that there is room for improvement. This may require action or just continued monitoring.



This face indicates where the levels and trends in the data show that we are doing well in this measure.

## Indicator 5.1

**Swimming water quality**

## Relevance

This indicator will help to show the extent to which we have clean water in our rivers and in the ocean.

## Limitations

We only have data from locations that Environment Canterbury decides to monitor.

## Current Level and Trends

Gore bay, Motunau Beach, and Leithfield Beach have the cleanest swimming water in the District, although the water in the Motunau River mouth at the beach is reported as being of poor quality. All other locations measured "good" or "fair".

## Conclusion



There are some good results here, but there is room for improvement.

### River Water Quality Rating

	2008	2009	2010
Leithfield Beach	Very Good	Very Good	Very Good
Waipara River Mouth	Fair	Fair	Fair
Motanau Beach	Very Good	Very Good	Very Good
Motanau River Mouth	Poor	Poor	Poor
Hurunui River (SH7 Bridge)	Fair	Fair	Fair
Hurunui River (SH1 Bridge)	Fair	Fair	Fair
Waiau River	Fair	Fair	Fair

## Indicator 5.2

**No. of days that monitored rivers drop below ECan minimum flow levels**

## Relevance

This indicator will help show the District's river water and flow throughout the year and how current activities in the District may affect the water level and flows.

## Limitations

Water flow and restrictions are established by Environment Canterbury, to a level that has been established from Environment Canterbury's research and decisions on what should be sustainable. However many natural influences can occur each year which may dramatically affect whether the established minimum flow levels are relevant or not.

## Current Level and Trends

The Hurunui River at Mandamus has never significantly fallen below ECan minimum flow levels. The only months showing a drop are February, March, April, May and June between 1970 and 1972. The only other record of this River showing a drop below the ECan minimum flow levels was in 2007/08. Similarly, the Waiau River shows a drop in 1970/71 and not again until 2001, then 2007/08. The levels for the Upper Waipara River have been recorded during Oct-May since 1988. The higher frequency of river levels dropping are in the months of January-March, with minor frequency's in the other months.

## Conclusion



For the Hurunui and Waiau River, there has been only a few occurrences where the rivers have dropped below ECan's minimum flow levels. Although the record for some months of the Waipara River show more frequency of dropping below ECan's minimum flow level, it only occurs at the most, every second year between 1998-2006. Overall the rivers do not drop significantly or annually below the ECan's minimum flow levels.

Indicator 5.3

**Levels of waste to landfills and percentage and type of waste recycled**

Relevance

Hurunui is committed to the goal of Zero Waste. By monitoring both the levels and types of waste to landfill we are able to see how well we are achieving this.

Limitations

This indicator should be considered in conjunction with District population growth (Indicator 1.9), as more people are likely to create more waste. Data is not available on a completely consistent basis each year.

Current Level and Trends

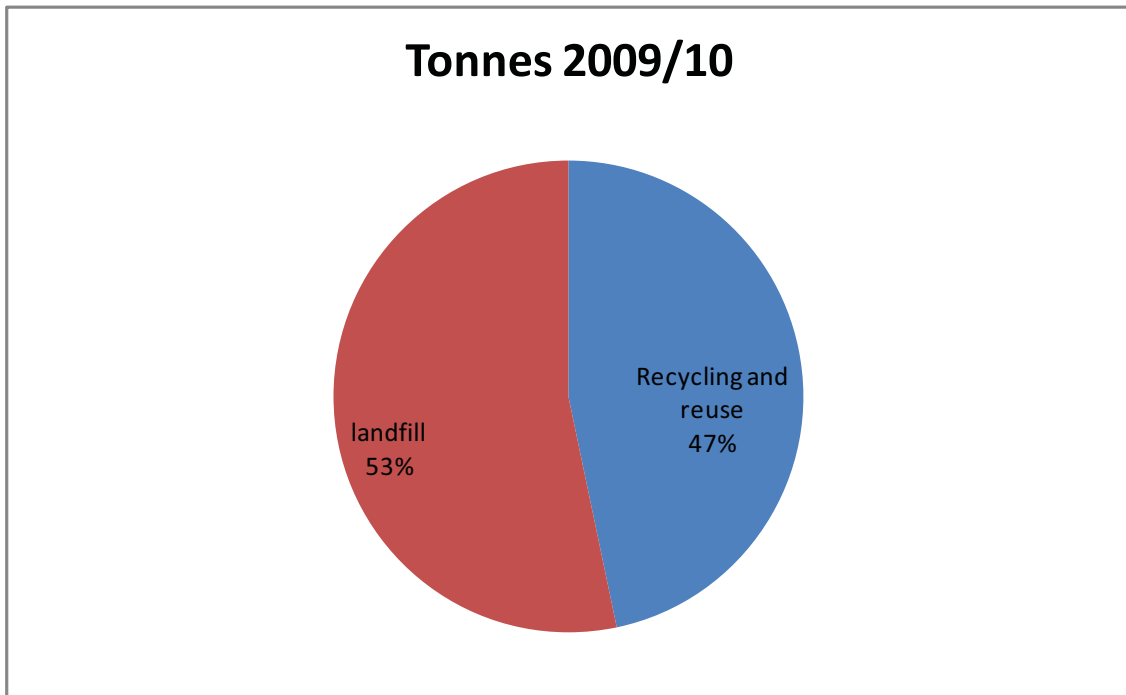
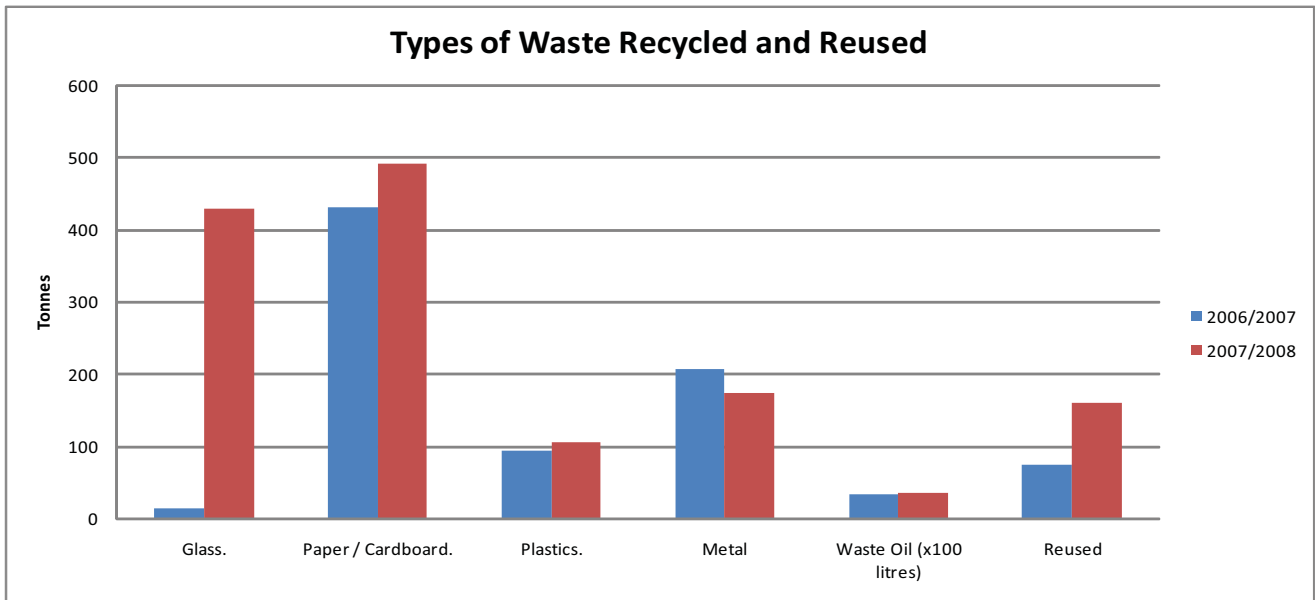
Since 2006 there has been a significant increase in the tonnage of waste that goes to landfill. There has also, however been a significant increase in recycling and reuse of waste. The steep increase in glass recycling is due to glass being taken from Amberley by Becon.

Conclusion



Recycling and reuse have increased, and the rate of increase of waste to landfill has slowed in the last year, but ideally we would like to see the amount of waste that goes to landfill decrease.

**Household Waste Collection Service Satisfaction**



## Indicator 5.4

***Dollars invested in Environmental Awards***

## Relevance

This indicator shows the opportunity in the District from the funding, of having an Ambassador responsible for the protection and enhancement of the Districts indigenous biodiversity.

## Limitations

This is a new situation so there are no historical figures of the dollars invested.

## Current Level and Trends

The Council continues to work in partnership with Mainpower to provide a \$10,000 contestable fund for biodiversity projects on private property in the District. The Council has received \$32,000 from the Department of Conservation Advice fund to support and meet the costs of its Biodiversity Ambassador. This position has assisted approximately 20 owners to make application to a range of funding authorities to support protecting and enhancing the Districts indigenous biodiversity.

## Conclusion



It will be beneficial to review the amount of dollars invested in Environmental Awards overtime and analyse the results and outcomes from establishing the Ambassador's role.

## Indicator 5.5

***Hectares protected under QEII covenants***

## Relevance

This indicator shows the significant areas of vegetation in the Hurunui District which are protected and therefore demonstrates how well we are doing, ensuring that vegetation is preserved.

## Limitations

The QEII covenants includes significant areas that do not necessarily have vegetation on it. It is the primary covenant used but there are other covenants that can be applied to protect vegetation.

## Current Level and Trends

The Council has identified that 40 registered QEII covenants exist within its district boundaries, these cover 1790 hectares of land. In the 2009/10 financial year, 5 new covenants were created covering 95.5 hectares of land QEII covenants: 40 registered Covenants - 1790 hectares

## Conclusion



The number of covenants in the District has steadily increased over time. The number registered each year has stayed relatively constant.

## Indicator 5.6

***Area of Native Vegetation***

## Relevance

There are significant areas of vegetation in the Hurunui District, approximately 40% of the District includes areas of native vegetation.

## Limitations

Areas of natural vegetation are not measured and QEII covenant areas do not necessarily include natural vegetation.

## Current Level and Trends

There is approximately 384,918 hectares of Native Vegetation in the Hurunui District, including species such as tall tussock grassland, flaxland, manuka and kanuka, matagouri and more. The Biodiversity Ambassador assists in protecting and enhancing area's of natural vegetation with funding from environmental awards. As this is a new role, there is much to be done and a lot of areas yet to be maintained.

## Conclusion



40% of our District includes areas of native vegetation and therefore it is an important indicator to review annually. Much work has been done, but there is more to do, and this is likely to be ongoing.

Indicator 5.7

**Spread of wilding trees**

Relevance

Wilding trees pose a serious environmental threat in some areas. The number (or density) of wilding trees will indicate the severity of this threat.

Limitations

ECan surveys are updated, with up to ten years between counts.

Current Level and Trends

Areas to the north and east of Hanmer Springs are particular hot spots for this problem. Control operations have cleared wilding trees from in some areas, but other areas remain to be cleared.

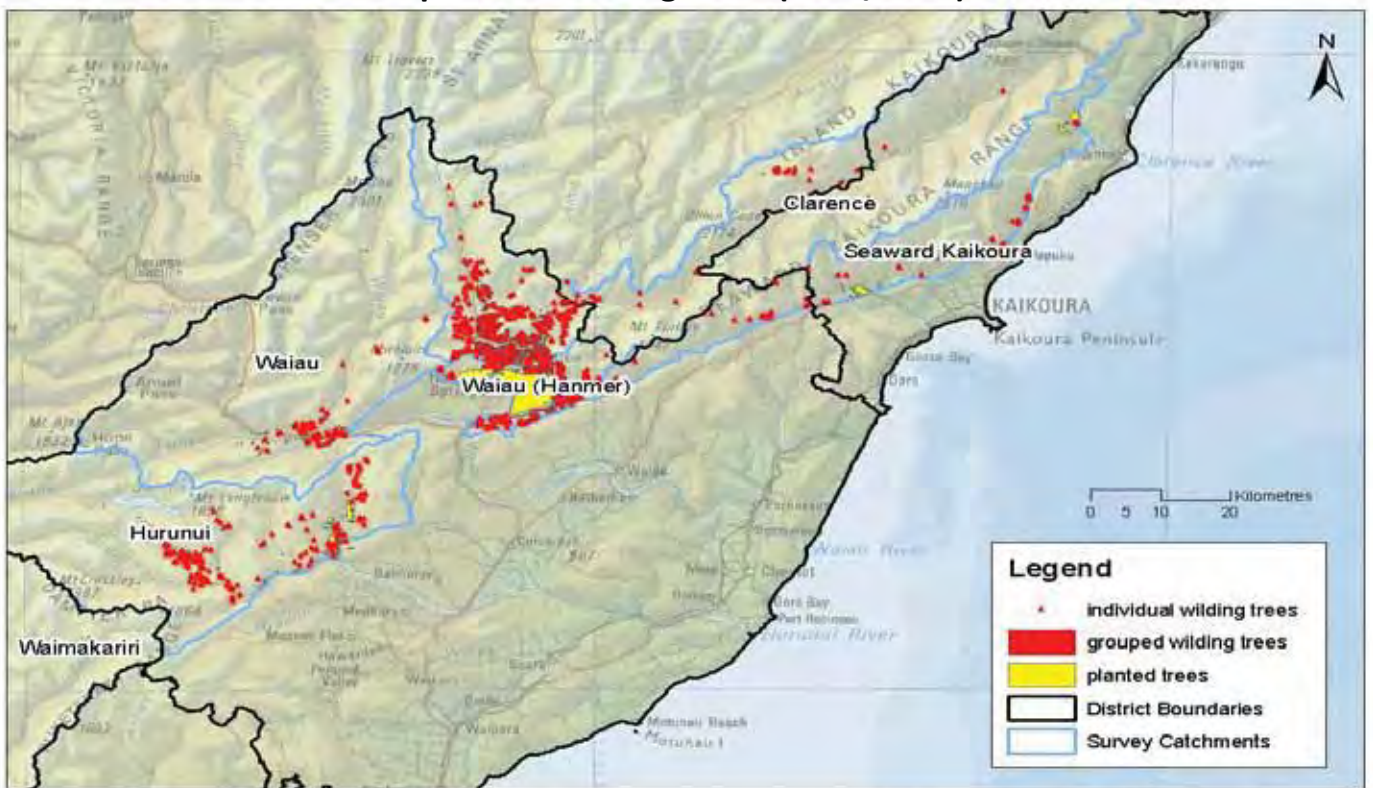
Conclusion



ECan organises wilding tree control days in the high country; a community-based initiative aimed at removing young seedlings before they are mature enough to produce seed and create a longer-term problem.

Much work has been done, but there is more to do, and this is likely to be ongoing.

**Spread of Wilding Trees (2001/2002)**



Source: ECan (see also <http://www.ecan.govt.nz/Our+Environment/Land/Biodiversity/WildingConifers.htm>)

**Number of Hectares with Wilding Trees in Catchments**

Catchment	Survey date	Survey Area (ha)	No. of hectares with 1 or more wilding trees
Waiau	2002	181,419	4,143 (2.3%)
Hurunui	2001/02	115,078	797 (0.7%)
Kaikoura	2002	61,822	376 (0.6%)
Clarence (lower)	2001	79,745	5 (0.01%)
Clarence (upper)	1999	53,414	8,013 (15.0%)



## Indicator 5.8

**Number of nassella per hectare**

## Relevance

Nassella is a fast growing tussock that is inedible to livestock and can rapidly dominate grasslands, eventually smothering them. As such it is a threat to the environment. The number of nassella is thus an indicator of our environmental responsibility.

## Limitations

Seasonal trends can affect results, with higher seed germination in a dry season.

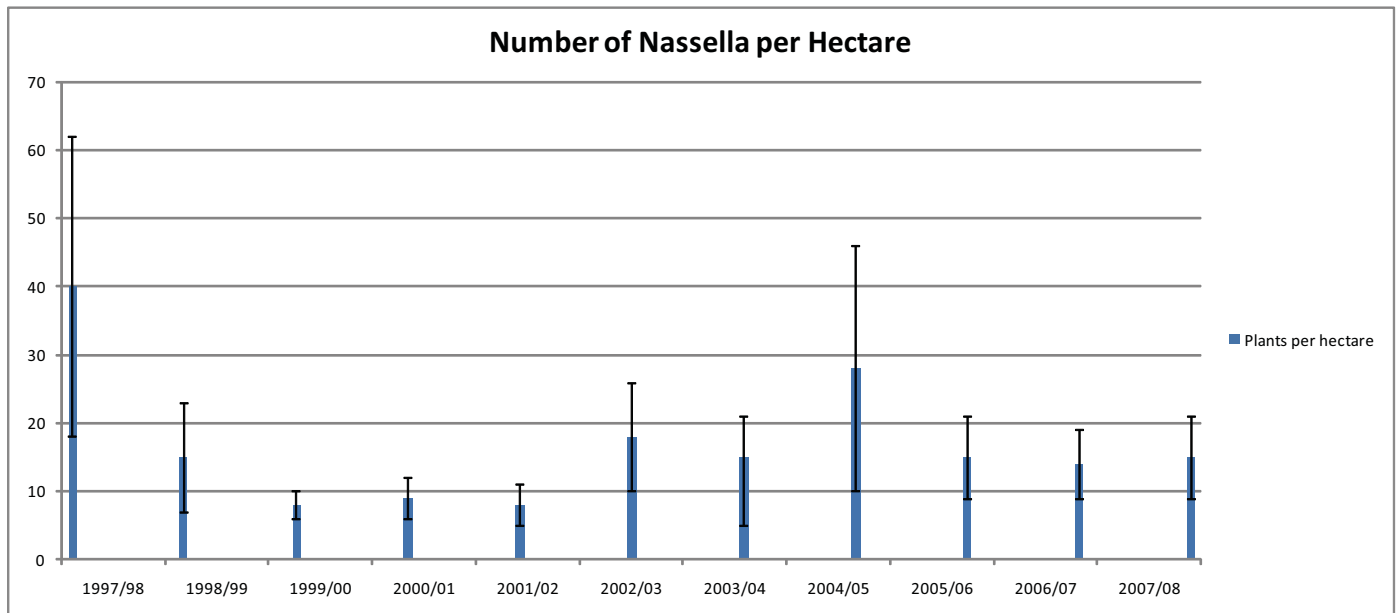
## Current Level and Trends

The number of plants and seeded plants has fluctuated after an initial decline and has been showing an increasing trend since.

## Conclusion



It is important that monitoring and control are ongoing so that this problem does not get out of hand.



## Indicator 5.9

**Number of possums, ferrets and rabbits**

## Relevance

Possoms, ferrets and rabbits pose a serious environmental threat in some areas. Management and control of such pests will help maintain our environment.

## Limitations

Currently we have limited information to report on.

## Current Level and Trends

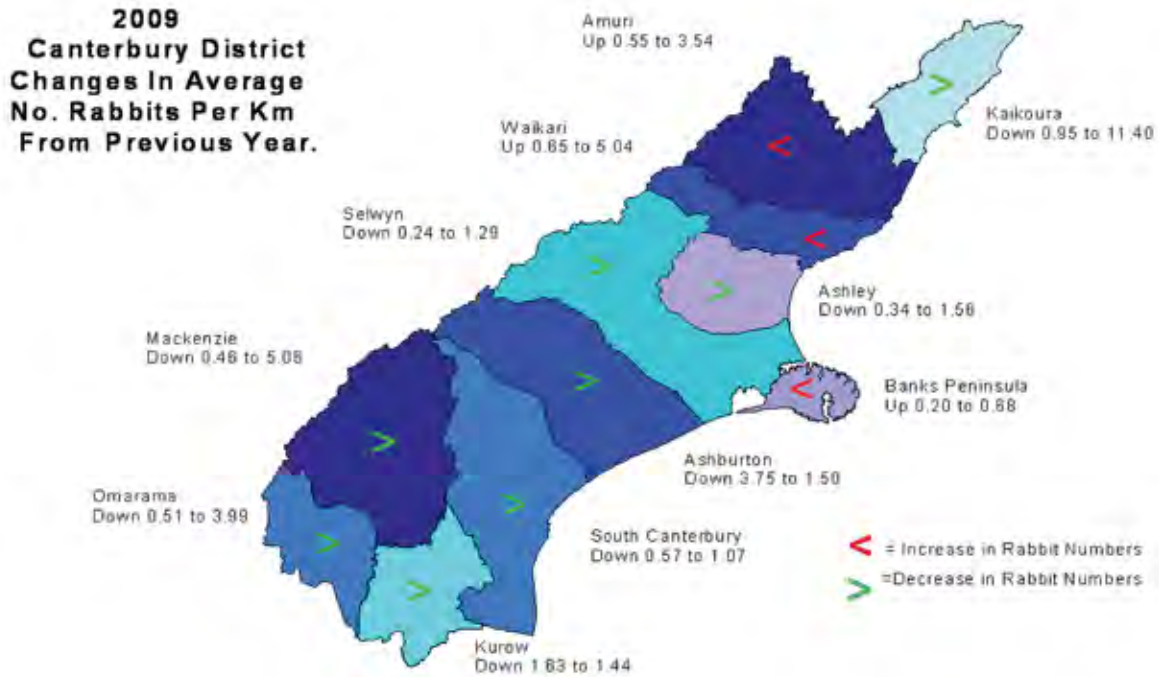
Rabbit trend information is collected annually in early spring from 2500 kilometers of set night count transects established throughout the region, these transects are monitored at night from motorcycles, generally the higher rabbit prone districts have a greater number of transect kilometers for increased representation. This data set has been collected since 1990 and is the most comprehensive current rabbit monitoring data set in New Zealand.

## Conclusion



Monitoring from spring 2009 indicates three of Canterbury's eleven pest districts have higher base levels of rabbits when compared with 2008 figures. Amuri & Waikari have increases of over 0.5 of a rabbit per kilometer (these two districts were the only two to show reductions across the region in 2008). The Banks Peninsula district also shows a slight increase in rabbit levels.

The regions most highly rabbit prone districts of Mackenzie, Omarama and Kurow show rabbit reductions compared with 2008 figures. A considerable amount of this is due to a greater level of implemented rabbit control, however monitoring was undertaken slightly earlier than in previous years, this can provide unequal comparison as young rabbit recruitment over the spring breeding pulse is 14% - 20% a month for August through to November.



Indicator 5.10

***People’s perception of environmental issues that need to be further investigated or better managed in the District***

Relevance

This indicator will tell us where there may be a concern among the residents of the Hurunui District.

Limitations

This measures residents’ views only and not those of visitors to the District.

Current Level and Trends

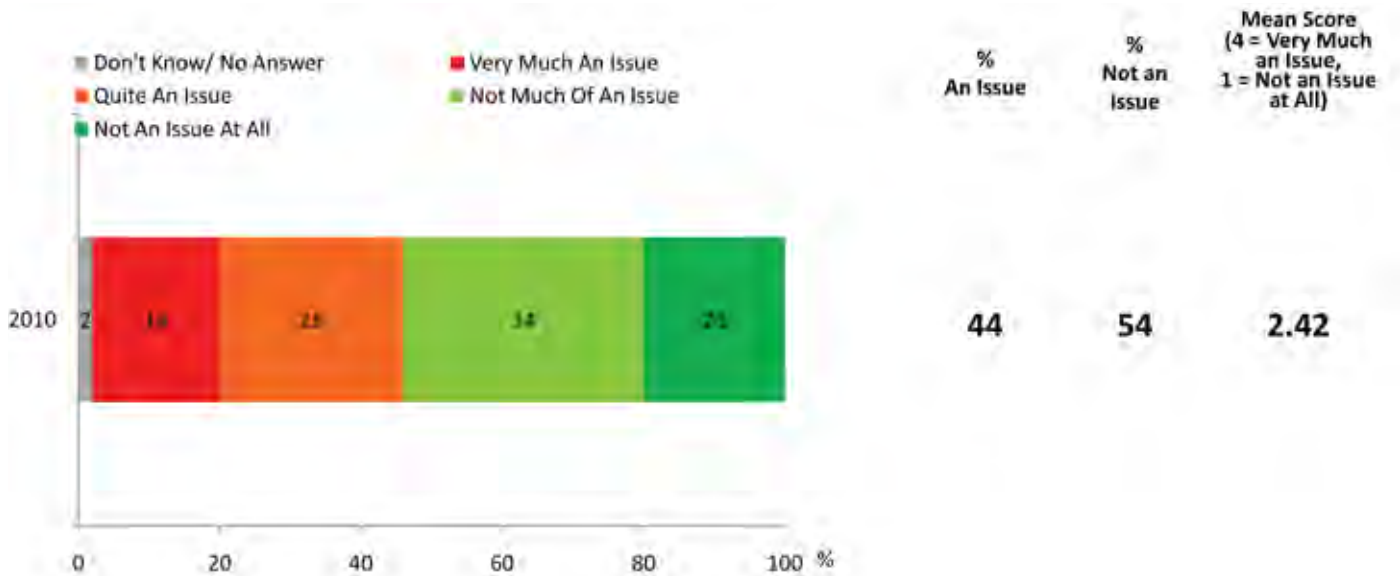
Within the residents survey 44% of respondents considered dairying as a perceived issue in the District whereas 54% did not consider it an issue. The same survey identified that only 30% of residents considered windfarms were an issue in the District. This showed a significant drop from the 2009 survey which indicated 41% of respondents considered wind farms to be an issue. The Council is currently engaging the Community on subdivision standards in the District and the impact on rural amenity in the general management zone, the coastal management zone and Woodbank Road in Hanmer Springs. Consultation is also being undertaken on the suitability of allowing apartment living in Hanmer Springs.

Conclusion

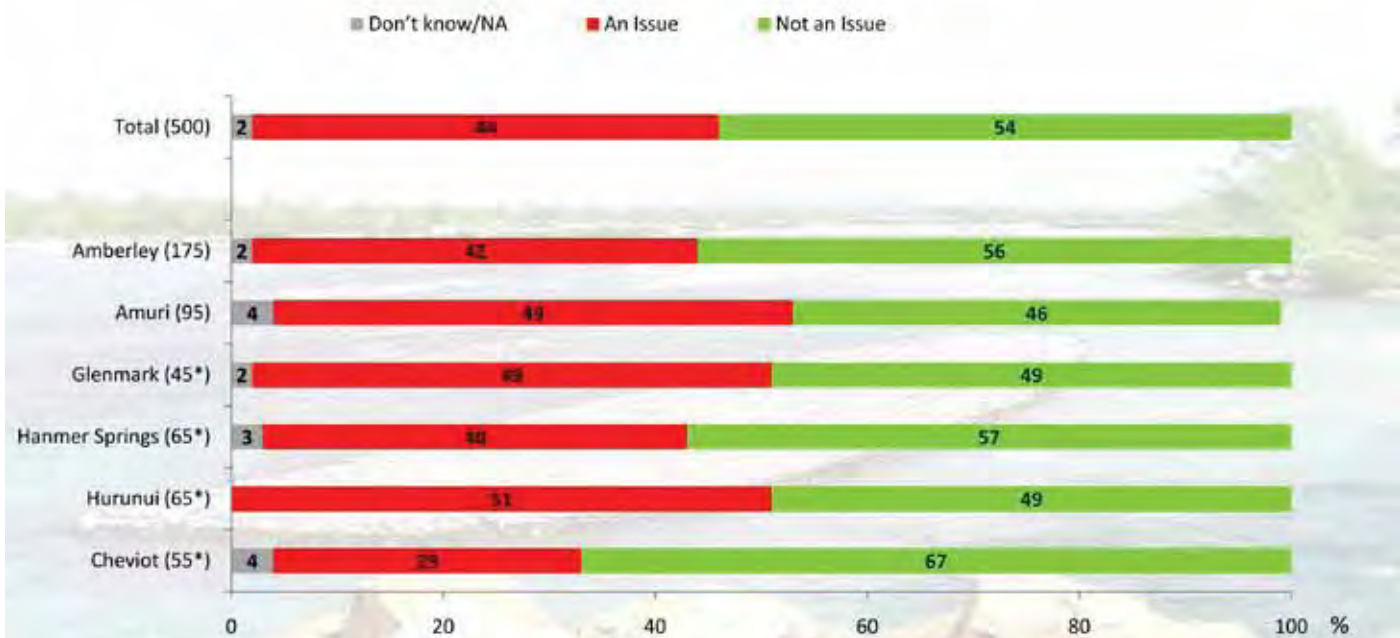


The results are more positive than negative and we can only review these figures annually to see statistically understand the residents’ perceptions on local environmental issues.

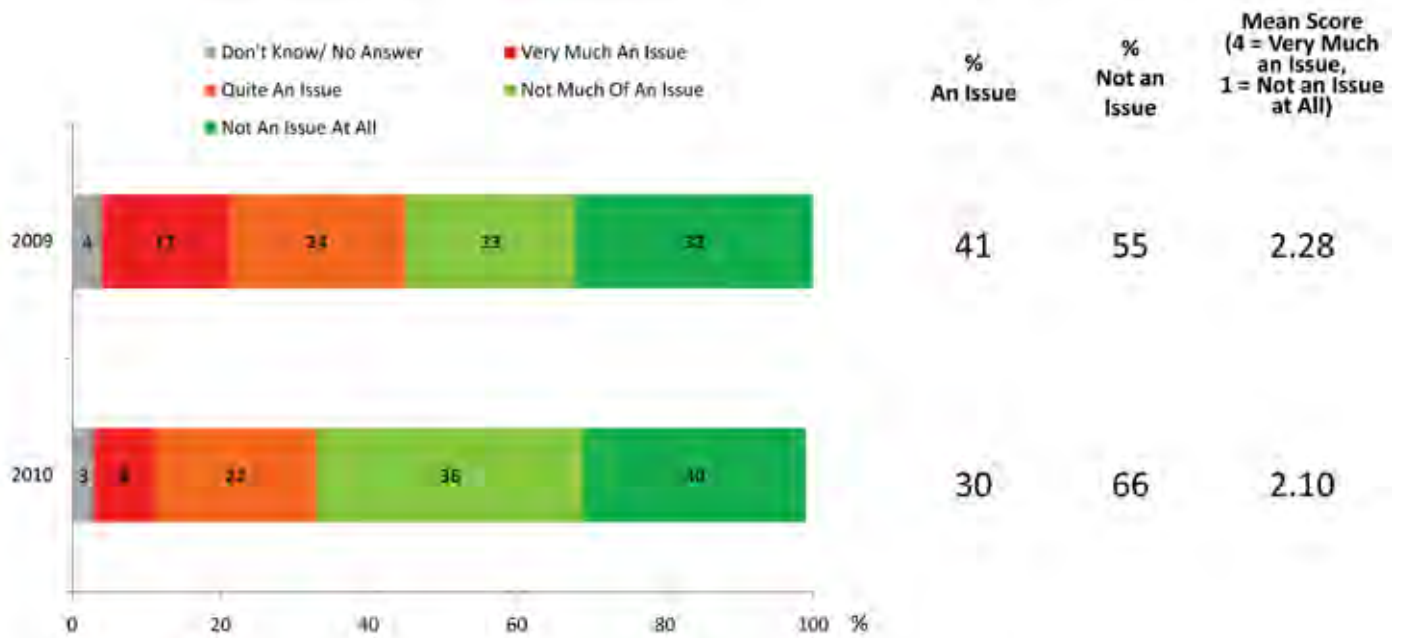
### % of Dairying perceived as an issue in Hurunui



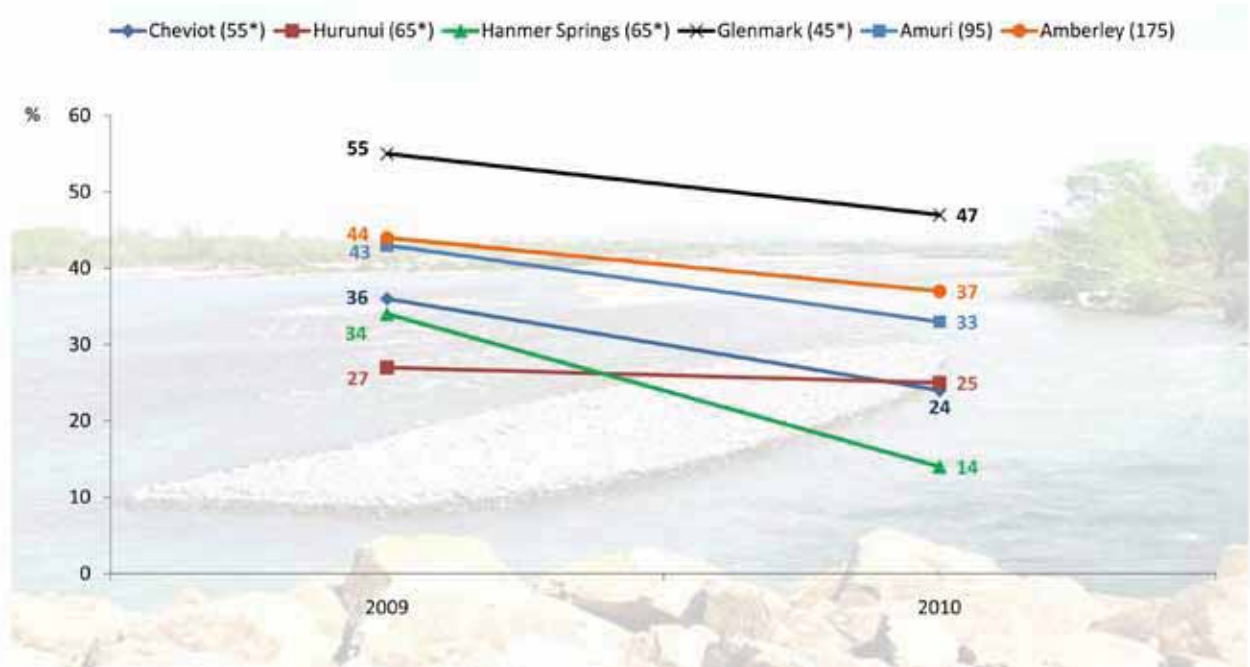
### % of Dairying perceived as an issue in Hurunui, by area



### % of Wind Farms perceived as an issue in Hurunui



### % of Wind Farms perceived as an issue in Hurunui, by area



## Community Outcome 6:

## "SKILLS AND EDUCATION FOR WORK AND LIFE"

To enhance this outcome, we need to have:	We will know we are succeeding when:	Progress will be measured using these key indicators:
<ul style="list-style-type: none"> <li>• Quality education available at local schools and preschools</li> <li>• Practical skills and work/trade-based training opportunities available</li> <li>• A variety of options for learning to be available to all</li> </ul>	<ul style="list-style-type: none"> <li>• Participation rates in education and/or training increase</li> <li>• People in the Hurunui District leave school with qualifications</li> <li>• People feel education in the Hurunui District is of high quality</li> </ul>	<ul style="list-style-type: none"> <li>6.1 Percentage of school entrants who have participated in early childhood education</li> <li>6.2 Number of enrolments in Early Childhood Education</li> <li>6.3 Hurunui schools' roll numbers</li> <li>6.4 NQF results for local schools</li> <li>6.5 Decile rating for local schools</li> <li>6.6 Percentage of school leavers with no qualification</li> <li>6.7 Number of modern apprenticeships</li> <li>6.8 Number of people undertaking industry training</li> <li>6.9 Number of active members of district libraries</li> <li>6.10 Perception of the quality of education available within the District</li> </ul>

The following pages demonstrate how we are progressing against the 10 key indicators listed in the above chart.

The following key is used to show how we are going against each measure:



This face indicates where the levels and trends in the data indicate that we are not doing as well as we could be and action may need to be taken, either to investigate the problem more fully, or to take action to remedy it.



This face indicates where the levels and trends in data indicate that we are doing OK but that there is room for improvement. This may require action or just continued monitoring.



This face indicates where the levels and trends in the data show that we are doing well in this measure.

Indicator 6.1

**Percentage of school entrants who have participated in early childhood education**

Relevance

Quality early childhood programmes prepare young children socially, physically and academically for entry into primary education. Participation rates in early childhood education help to show us whether or not quality education is available in the District.

Limitations

This data does not tell us where quality education may be available, but numbers per region that are attending early childhood education.

Current Level and Trends

Since the year 1986, the percentage of school children who have participated in early childhood education has generally increased, although there was a significant dip in 1988. There was an increase in 2007 and 2008, but 2009 shows a decrease again.

Conclusion

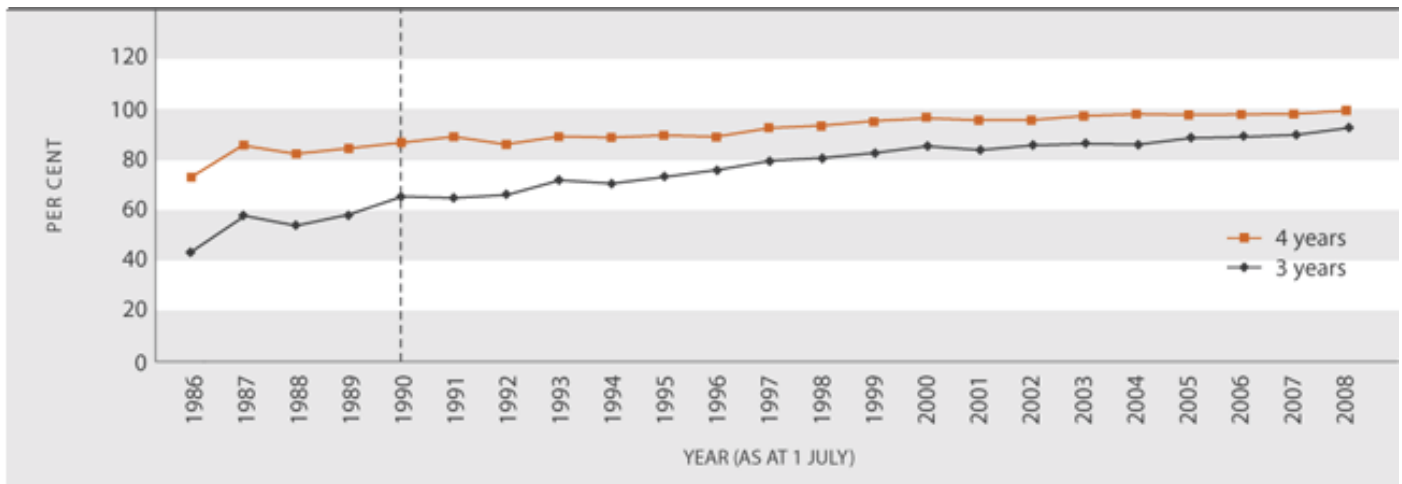


The high participation rates in early childhood education show a national increase, indicating that quality early childhood programmes are being offered. An increase in 2007 and 2008 in the Hurunui District show that we are following the national trend but the decrease for 2009 may be a result from the recession. It will be a figure to analyse over the next few years.

**Participation of year 1 students in ECE for National and Hurunui District**

Year	National	Hurunui District
2006	94.5	95.9
2007	94.7	97.9
2008	94.7	97.9
2009	95.1	93.5

**Participation in early childhood education in New Zealand**



Indicator 6.2

**Number of enrolments in Early Childhood Education**

Relevance

Quality early childhood programmes prepare young children socially, physically and academically for entry into primary education. Participation rates in early childhood education help to show us whether or not quality education is available in the District.

Limitations

This data does not tell us where quality education may be available but, the numbers of enrolment in education centres of the District and how many centres there are available in each area.

Current Level and Trends

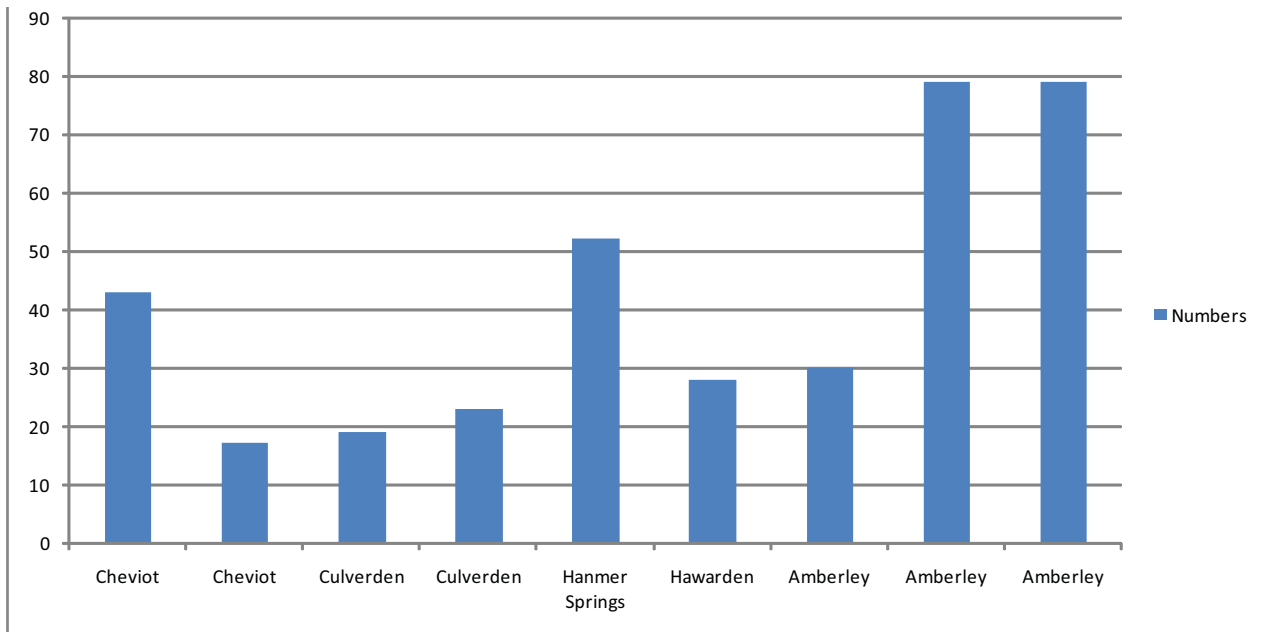
There is a good level of enrolments throughout the District in early childhood education. With 3 centres in Amberley, 2 centres have the highest enrolments for the District. Hanmer Springs and Cheviot also have a higher number compared to the other areas of the District.

Conclusion



The high participation rates in early childhood education, as well as its consistency with the national rate, indicate that quality early childhood programmes are being offered in the District and that opportunities to attend are being taken up.

### Number of Enrolments in Early Childhood Education in the District



**Indicator 6.3**

**Hurunui schools' roll numbers**

**Relevance**

School roll numbers tell us about the participation rates in the education offered in the District, which in turn can help to tell us if suitable education is being offered within the District.

**Limitations**

As with early childhood education, this data may not identify cases in which quality education may be available but, where people choose to utilise the education services.

**Current Level and Trends**

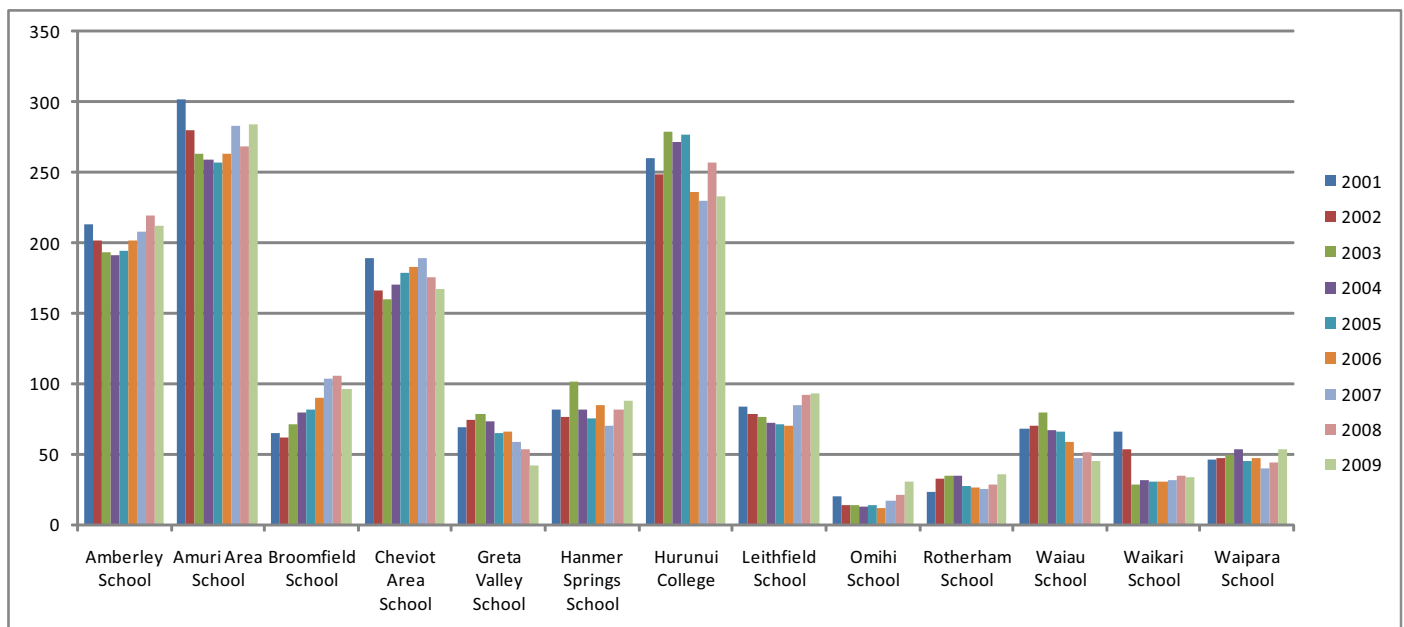
Since 2001 most school rolls have remained relatively stable with some annual fluctuations. Some schools have decreased in numbers across the period, others have risen. The overall trend shows an increasing trend over the past two years, with the exception of 4 schools. When compared with the population increase, this suggests that education opportunities are being pursued outside the District. Discussions have been held with the Ministry of Education regarding the possibility of a high school being established in Amberley, but at this stage numbers and population projections do not warrant this in the short to medium term.

**Conclusion**



The upward trend is positive and it is hoped that this is continued. If school roll numbers begin to decline again the Council may need to consider assisting the schools to advertise themselves.

### Total Number of Students Enrolled in the Hurunui District



Indicator 6.4

**NQF results for local schools**

Relevance

This indicator will identify how well our district’s high school students are achieving academically.

Limitations

The National Qualifications Framework (NQF) does not measure non-academic achievements, such as sports or cultural activities which may be just as vital for adding to the skills and education needed for future work and life. Data available is only up to 2009.

Current Level and Trends

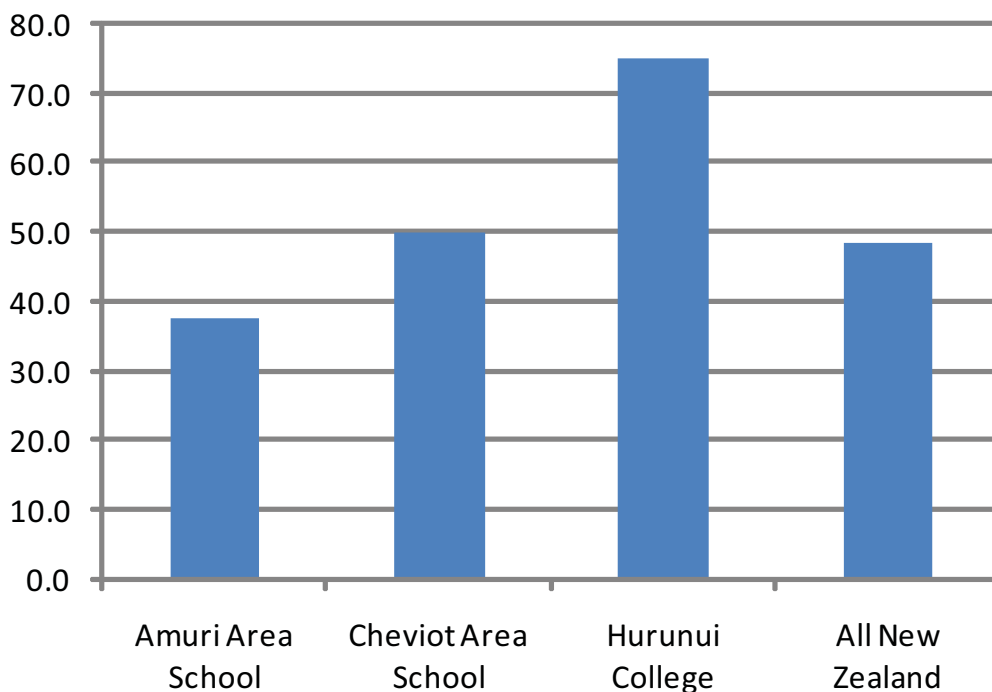
Generally there has been an increase in performance in the overall pass rates. It is difficult to determine a trend in the Hurunui as the numbers are small and slight changes can dramatically change the pass rate. The Hurunui has generally performed around the national average.

Conclusion



The previous years results show, Cheviot Area School, Year 13 NCEA qualified rate was 50% and the Hurunui College, Year 13 NCEA rate was 75%. It is difficult to draw any conclusions from this indicator, and it will become more meaningful over time.

**NCEA, LEVEL 3 PASS RATE FOR 2009**



Indicator 6.5

**Decile rating for local schools**

Relevance

The decile rating of a school is determined by the Ministry of Education and takes account of a number of factors including the socioeconomic status and educational background of the families of the pupils at the school. A low decile rating indicates a school with a significant number of disadvantaged children. Children at low decile schools face difficulties. Their families may be disadvantaged and the parents may have difficulty supporting the learning process.

Limitations

No current information is available as information has only been available up to 2007.

Current Level and Trends

At present, all schools within our district have a decile rating of 4 or higher, with Rotherham Primary school rated 10. The decile rating of most schools has increased over the last two years, the only exceptions being Waikari Primary, which dropped from 5 to 4, and Omihi Primary, which dropped from 9 to 8.

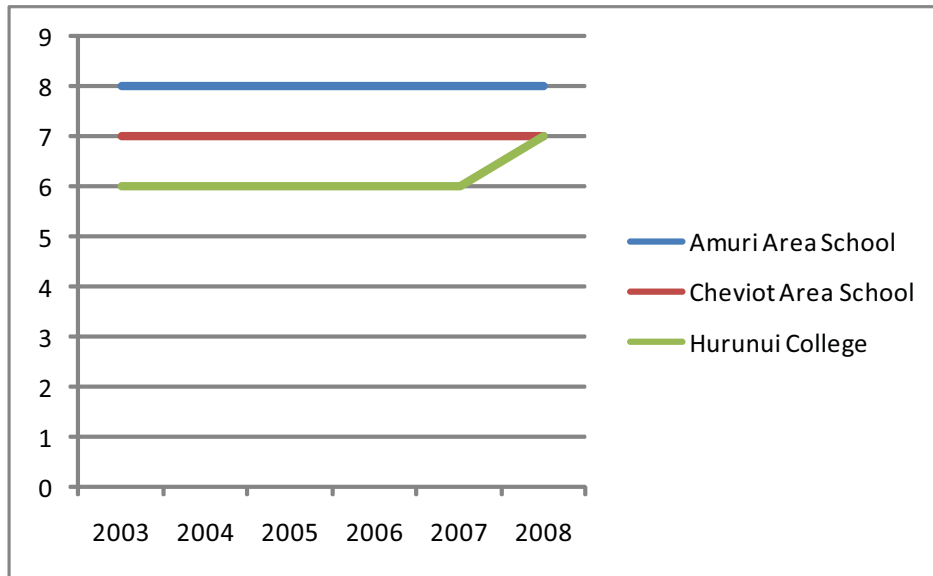
Conclusion



The general increase in decile ratings shows that the base from which our schools draw their students is becoming stronger. Accordingly, students are likely to be of higher quality. One drawback of this, however, is that the schools with increased decile ratings will receive less government funding.



### DECILE RATING FOR LOCAL SCHOOLS



**Indicator 6.6**

**Percentage of school leavers with no qualifications**

**Relevance**

This indicator will help to show us how well qualified our school leavers are, which will help to identify the quality of education and training that is offered within the District.

**Limitations**

Information is only available up to 2008 and it does not capture those students who live in the District, but attend schools outside of the District. It is important to consider also that the numbers are lower in the Hurunui District because of the much smaller population compared to New Zealand overall. A large proportion of students from Amberley attend school in Rangiora due to it being the closest school, while a number of students from around the District attend schools in Christchurch.

**Current Level and Trends**

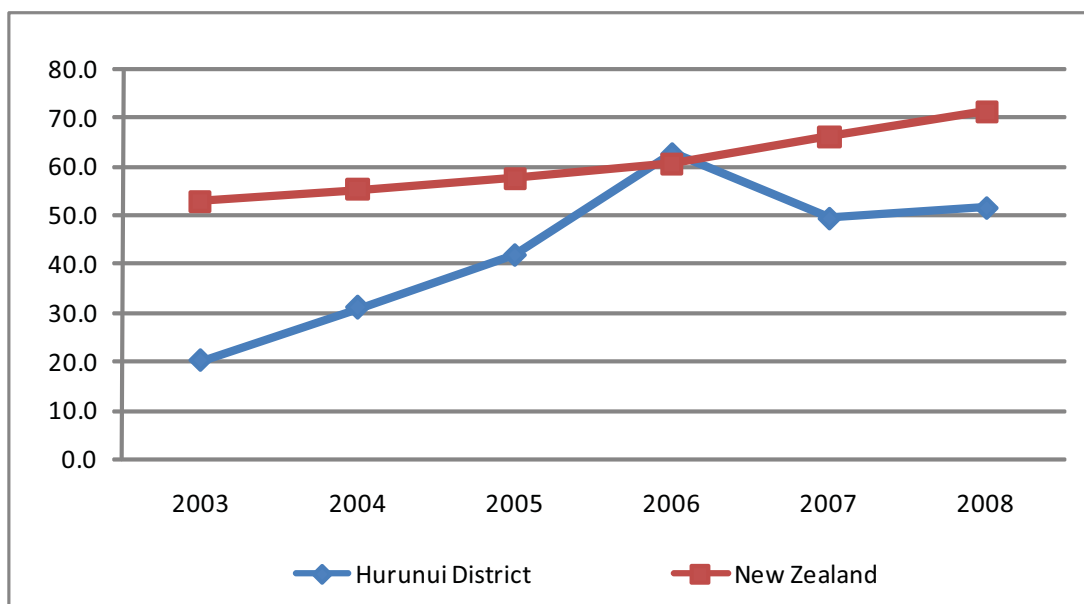
The qualifications held by Hurunui school leavers have fluctuated over the last several years. While not forming any particular trend, there has been a significant, general increase over a seven year period

**Conclusion**



Further comparisons will be available in due course and will need to be looked at over time to see if the District continues to rank significantly below the national average.

### Percentage of school leavers with NCEA Level 2 or above



Indicator 6.7

**Number of Modern apprenticeships**

Relevance

This will indicate the extent to which youth are gaining skills and knowledge for work through participation in the Modern Apprenticeships programme.

Limitations

The data is only available at a regional level so includes all of Canterbury.

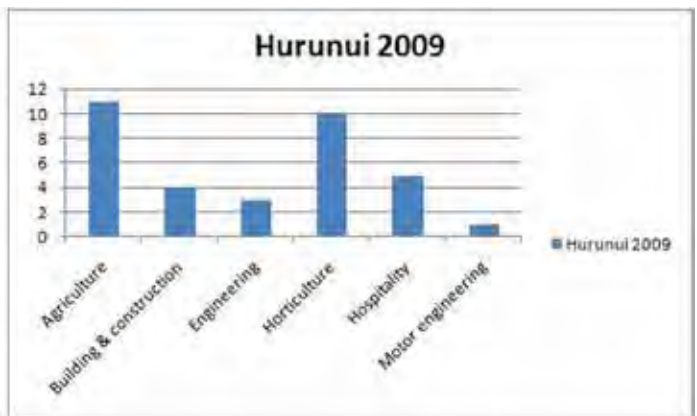
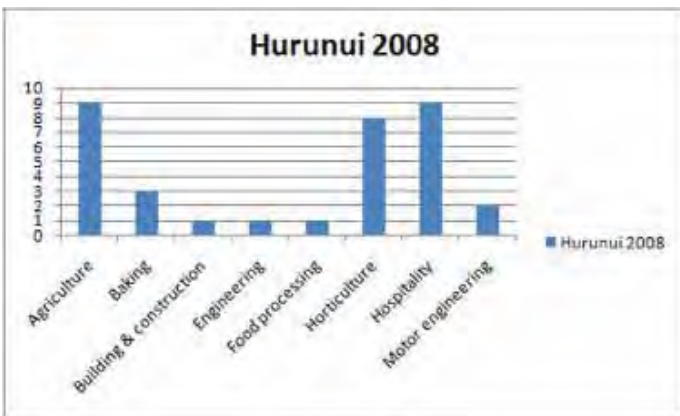
Current Level and Trends

The Canterbury region has a lower level of people participating in modern apprenticeships per 100,000 people than the nationally and this gap has grown. As the Canterbury population has not grown at a rate higher than the national population it seems that the rates of participation are not growing as fast in Canterbury as in other areas. However there has been a steady increase of modern apprenticeships since 2002 in Canterbury, which is a positive result overall.

Conclusion



The number of modern apprentices is currently at a good level and steadily increasing. This indicator will tell us more when it is looked at over time, with what particular apprenticeships seem to be most relevant for the region.



Indicator 6.8

**Number of people undertaking industry training**

Relevance

This indicator will help to identify where education opportunities are being offered within the District, and may help to identify where there may be any gaps.

Current Level and Trends

In the survey conducted in 2007, 9% of those surveyed were undertaking industry training. Of these, the lowest area was Amberley, with 6% undertaking training, Hanmer Springs the highest area, with 14% undertaking training. At this time we do not have any earlier data or more recent data from our own district to compare this data with.

Conclusion



This indicator will tell us more when it is looked at over time.

**Percentage of People Surveyed Undertaking Industry Training**

Total	Amberley	Amuri	Cheviot	Glenmark	Hanmer Springs	Hurunui
9%	6%	11%	8%	7%	14%	11%

Indicator 6.9

**Number of active members of District Libraries**

Relevance

This measure will help to tell us the number of people who are actively accessing resources for further learning.

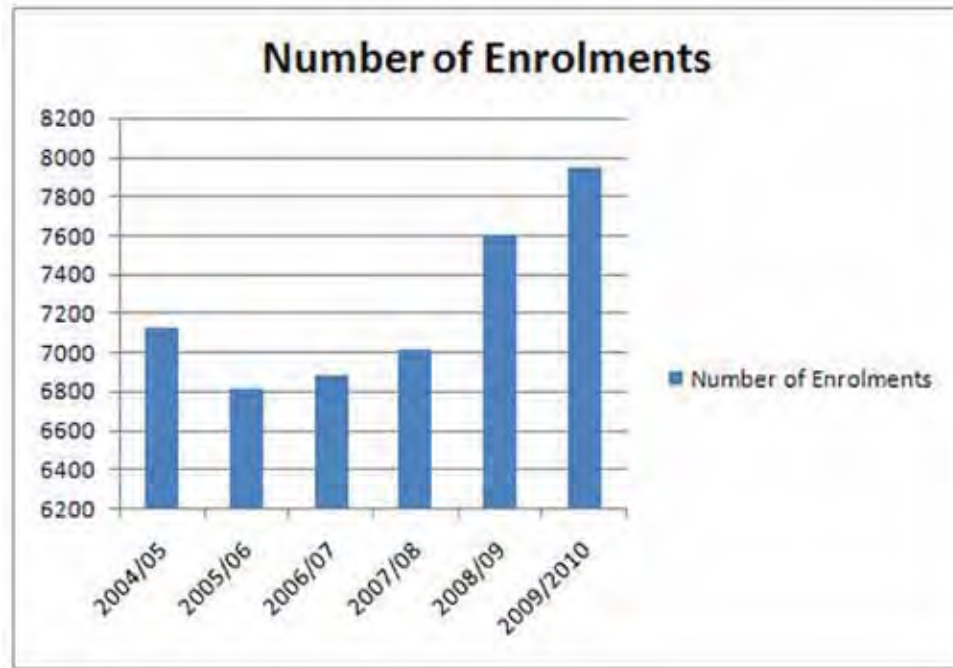
Current Level and Trends

There are currently 7,945 members enrolled within the District. This is an increase from last years figure of 7,603. There has been a reasonably large number of new enrolments over the last four years, since the drop in enrolments during 2005/06.

Conclusion



District libraries have good enrolment figures, with approximately 2 out of 3 of the District's population being enrolled with libraries throughout the District. As we continue to monitor this indicator over time we will get clarification as to whether this is an upward trend or merely a fluctuation.



## Indicator 6.10

**Perception of the quality of education available within the District**

## Relevance

This measure will indicate the degree to which education provided in the district meets the expectations of residents.

## Limitations

This is a subjective measure, and at this point in time there is no comparative data from other regions or from earlier years in the Hurunui District or up to date information to 2010. This indicator will become more useful over time as we get an indication of trends within the Hurunui District.

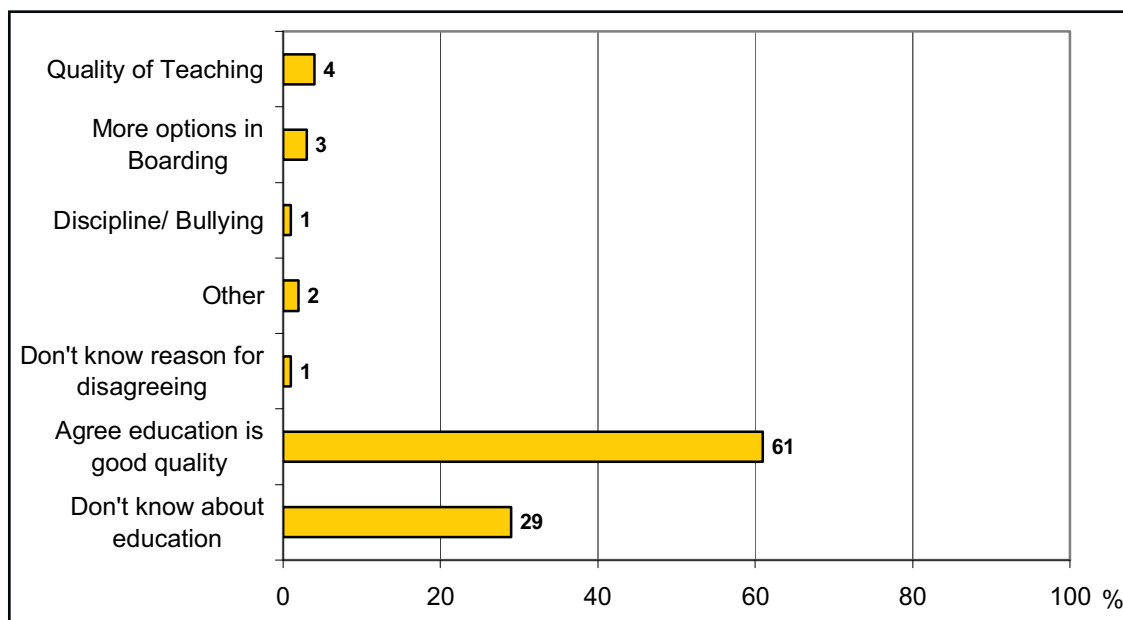
## Current Level and Trends

In the survey conducted in April 2008, 61% of respondents agreed that education in the Hurunui District is of good quality, but only 11% disagreed - the remaining 29% reported that they did not know enough about education in the district to comment. Of those who disagreed, 4% reported concerns about the quality of teaching and 3% reported that they would like more options for boarding. These percentages are very low, and are less than the margin of error for the survey.

## Conclusion



Of those who know enough about education in the district to comment, 85% agree that education is of good quality. This is a good level of satisfaction when compared to levels in other areas about which residents were surveyed.

**Reasons for Disagreeing that Education in the Hurunui District is of Good Quality**

# FINANCIAL STATEMENTS

## STATEMENT OF COMPLIANCE AND RESPONSIBILITY

### Compliance

The Council and management of Hurunui District Council confirm that all the statutory requirements of section 98 of the Local Government Act 2002 (LGA) have been complied with.

### Responsibility

The Council and management of Hurunui District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

The Council and management of Hurunui District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of Hurunui District Council, the annual Financial Statements for the year ended 30 June 2010 fairly reflect the financial position and operations of Hurunui District Council.



Mayor  
Winton Dalley



Chief Executive Officer  
Andrew Dalziel



Manager Financial Services  
Jason Beck

Date 28 October 2010

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Group		Council		
		Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Budget 2010 \$000's	Actual 2009 \$000's
<b>Revenue</b>						
District Wide Rates & Rate Penalties	3	5,185	5,137	5,185	5,109	5,137
Targeted Rates	3	6,778	6,414	6,778	6,713	6,414
Development Contributions	3	456	(341)	456	473	(341)
External Interest Received	3	146	451	145	118	433
NZTA Subsidies	3	3,436	10,876	3,436	3,454	10,876
Hanmer Springs Thermal Pools & Spa	3	6,768	6,316	6,768	6,687	6,316
Vested Asset Income	3	562	0	562	410	0
Other Income	3	4,586	4,153	4,586	5,085	4,157
Gains/(Losses) on Forestry Revaluation		503	(36)	503	325	(36)
		<b>28,420</b>	<b>32,970</b>	<b>28,419</b>	<b>28,374</b>	<b>32,956</b>
<b>Less Expenditure</b>						
Employee Benefits	4	7,573	7,463	7,573	4,306	7,463
Direct Expenditure	5	12,722	21,577	12,721	15,480	21,545
External Interest Paid		0	0	0	286	0
Depreciation & Amortisation	5	5,122	5,298	5,122	5,655	5,298
<b>Total Operating Expenditure</b>		<b>25,417</b>	<b>34,338</b>	<b>25,416</b>	<b>25,727</b>	<b>34,306</b>
<b>Operating Surplus/(Deficit) before tax</b>		<b>3,003</b>	<b>(1,368)</b>	<b>3,003</b>	<b>2,647</b>	<b>(1,350)</b>
Share of associates surplus/(deficit)	13	5	27	0	0	0
<b>Net Surplus/(Deficit) before tax</b>		<b>3,008</b>	<b>(1,341)</b>	<b>3,003</b>	<b>2,647</b>	<b>(1,350)</b>
Tax Expense	6	0	0	0	0	0
<b>Net Surplus/(Deficit) after tax</b>		<b>3,008</b>	<b>(1,341)</b>	<b>3,003</b>	<b>2,647</b>	<b>(1,350)</b>
<b>Add Other Comprehensive Income</b>						
Gains/(Losses) on Asset Revaluation	17	33,432	2,529	33,432	0	2,529
Gains/(Losses) on Fair Value of Investments		73	(149)	73	0	(149)
		<b>33,505</b>	<b>2,380</b>	<b>33,505</b>	<b>0</b>	<b>2,380</b>
<b>Total Comprehensive Income</b>		<b>36,513</b>	<b>1,039</b>	<b>36,508</b>	<b>2,647</b>	<b>1,030</b>

The accompanying notes form part of the financial statements

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Group		Council		
		Actual	Actual	Actual	Budget	Actual
		2010	2009	2010	2010	2009
		\$000's	\$000's	\$000's	\$000's	\$000's
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	7	2,326	2,642	2,326	2,572	2,330
Trade and other receivables	8	1,455	4,413	1,455	2,445	4,723
Inventories		171	110	171	146	110
Non-current assets held for sale	9	470	440	470	167	440
<b>Total current assets</b>		<b>4,422</b>	<b>7,605</b>	<b>4,422</b>	<b>5,330</b>	<b>7,603</b>
<b>Non-current assets</b>						
Property, plant and equipment						
- Operational	10	30,647	28,797	30,647	31,432	28,797
- Restricted	10	27,441	26,644	27,441	32,470	26,644
- Infrastructure	10	247,944	210,533	247,944	212,484	210,533
Intangible assets	10	93	48	93	56	48
Forestry assets	11	2,182	1,679	2,182	2,040	1,679
Other financial assets	12	325	2,683	325	604	2,683
Investments in associates	13	168	163	0	0	0
Investments held to maturity	12	0	0	0	0	0
<b>Total non-current assets</b>		<b>308,800</b>	<b>270,547</b>	<b>308,632</b>	<b>279,086</b>	<b>270,384</b>
<b>Total assets</b>		<b>313,222</b>	<b>278,152</b>	<b>313,054</b>	<b>284,416</b>	<b>277,987</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables	15	3,045	4,262	3,045	3,655	4,260
Landfill aftercare provision	16	8	8	8	8	8
Employee benefits		618	715	618	556	715
Income in advance		841	954	841	491	954
<b>Total current liabilities</b>		<b>4,512</b>	<b>5,939</b>	<b>4,512</b>	<b>4,710</b>	<b>5,937</b>
<b>Non-current liabilities</b>						
Term debt		0	0	0	5,500	0
Landfill aftercare provision	16	151	167	151	77	167
Employee benefits		0	0	0	0	0
<b>Total non-current liabilities</b>		<b>151</b>	<b>167</b>	<b>151</b>	<b>5,577</b>	<b>167</b>
<b>Total liabilities</b>		<b>4,663</b>	<b>6,106</b>	<b>4,663</b>	<b>10,287</b>	<b>6,104</b>
<b>Net assets</b>		<b>308,559</b>	<b>272,046</b>	<b>308,391</b>	<b>274,129</b>	<b>271,883</b>
<b>Equity</b>						
Asset revaluation reserve	17	159,204	125,781	159,204	123,252	125,781
AFS investments revaluation reserve	17	78	78	78	78	78
Other reserves	17	1,970	4,699	1,970	5,227	4,699
Retained earnings	17	147,307	141,488	147,139	145,572	141,325
<b>Total Equity</b>		<b>308,559</b>	<b>272,046</b>	<b>308,391</b>	<b>274,129</b>	<b>271,883</b>

The accompanying notes form part of the financial statements

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2010**

Notes	Group		Actual 2010 \$000's	Council Budget 2010 \$000's	Actual 2009 \$000's
	Actual 2010 \$000's	Actual 2009 \$000's			
Equity at Start of Year	272,046	271,007	271,883	271,482	270,853
Add Total Comprehensive Income for Year	36,513	1,039	36,508	2,647	1,030
Equity at End of Year	<u>308,559</u>	<u>272,046</u>	<u>308,391</u>	<u>274,129</u>	<u>271,883</u>

The accompanying notes form part of the financial statements

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Group		Council		
		Actual	Actual	Actual	Budget	Actual
		2010	2009	2010	2010	2009
		\$000's	\$000's	\$000's	\$000's	\$000's
<b>Cash flows from operating activities</b>						
Rates and penalties		14,763	9,739	14,763	11,822	9,739
Roading subsidy		3,286	10,876	3,286	3,406	10,876
Hanmer Springs Thermal Reserve		6,768	6,316	6,768	6,687	6,316
Money received on behalf of other authorities		2,436	2,162	2,436	2,356	2,162
Interest received		138	505	138	118	487
Dividends received		33	34	33	32	34
Other income		5,176	2,601	5,176	5,574	2,321
Payments to suppliers and employees		(22,581)	(25,880)	(22,581)	(19,786)	(25,877)
Interest and other costs of finance paid		0	0	0	(286)	0
Money paid to other authorities		(2,436)	(2,243)	(2,436)	(2,356)	(2,243)
Net GST Movement		175	(122)	175	0	(159)
<b>Net cash from operating activities</b>	18	<b>7,758</b>	<b>3,988</b>	<b>7,758</b>	<b>7,567</b>	<b>3,656</b>
<b>Cash flows from investing activities</b>						
Payment for investments		0	0	0	0	0
Proceeds on sale of investments		2,112	3,490	2,424	500	3,800
Payment for plant, property & equipment		(10,186)	(7,042)	(10,186)	(13,750)	(7,042)
Proceeds from the sale of plant, property & equipment		0	0	0	0	0
Interest received		0	0	0	0	0
<b>Net cash from investing activities</b>		<b>(8,074)</b>	<b>(3,552)</b>	<b>(7,762)</b>	<b>(13,250)</b>	<b>(3,242)</b>
<b>Cash flows from financing activities</b>						
Proceeds from the issue of debt securities		0	1	0	5,500	1
<b>Net cash from financing activities</b>		<b>0</b>	<b>1</b>	<b>0</b>	<b>5,500</b>	<b>1</b>
<b>Increase/(decrease) in cash &amp; cash equivalents</b>		<b>(316)</b>	<b>437</b>	<b>(4)</b>	<b>(183)</b>	<b>415</b>
Cash and cash equivalents as 1 July		2,642	2,205	2,330	2,755	1,915
<b>Cash and cash equivalents as 30 June</b>		<b>2,326</b>	<b>2,642</b>	<b>2,326</b>	<b>2,572</b>	<b>2,330</b>

The GST (net) component of operating activities reflect the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.



# NOTES TO THE FINANCIAL STATEMENTS

## 1. Statement of Accounting Policies for the year ended 30 June 2010

### Reporting Entity

Hurunui District Council is a territorial local authority as governed by the Local Government Act 2002 and is domiciled in New Zealand.

The Hurunui District Council group consists of the ultimate parent Hurunui District Council (HDC) and its subsidiary Hurunui Holdings Limited (HHL) (100% owned) and associate Enterprise North Canterbury (50% equity share). All HDC subsidiaries and associates are incorporated and domiciled in New Zealand.

The primary objective of HDC is to provide goods and services for the community or social benefit rather than making a financial return.

Accordingly, HDC has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

The seat of the Council is at Amberley and the financial statements of HDC are for the year ended 30 June 2010. The financial statements were authorised for issue by Council on 28 October 2010.

### Basis of Preparation

#### Statement of compliance

The financial statements for HDC have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

The financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS and other applicable financial reporting standards as appropriate for public benefit entities.

#### Measurement Base

The financial statements have been prepared on the historical cost basis, modified by the revaluation of certain assets.

#### Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of the HDC is New Zealand dollars.

#### Changes in accounting policies

There have been no changes in accounting policies except that the Council has adopted NZIAS1, Presentation of Financial Statements (revised). The revised standard requires information in the financial statements to be aggregated on the basis of shared characteristics and introduced a statement of comprehensive income.

#### Standards, amendments and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the HDC include:

- NZ IAS 24 Related Parties (revised 2009) is effective for reporting periods beginning on or after 1 January 2011.

The standard has been revised to simplify the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. And, providing a partial exemption from the disclosure requirements for government-related entities.

- NZ IFRS 9 Financial Instruments (issued 2009) is effective for annual periods beginning on or after 1 January 2013. The standard will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39.

### Significant Accounting Policies

#### Basis of Consolidation

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant intragroup balances, transactions, income and expenses are eliminated on consolidation.

#### Subsidiaries

HDC consolidates as subsidiaries in the group financial statements all entities where HDC has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where HDC controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by HDC or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

HDC measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over HDC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If HDC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of the business combination, the difference will be recognised immediately in the statement of comprehensive income.

Investments in subsidiaries are valued as available for sale investments in HDC's own "parent entity" financial statements.

## Associates

HDC accounts for an investment in an associate in the group financial statements using the equity method. An associate is an entity over which the HDC has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise HDC's share of the surplus or deficit of the associate after the date of acquisition. HDC's share of the surplus or deficit of the associate is recognised in HDC's statement of comprehensive income. Distributions received from an associate reduce the carrying amount of the investment.

If HDC's share of an associate's deficit equals or exceeds its interest in the associate, HDC discontinues recognising its share of further deficits. After HDC's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that HDC has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, HDC will resume recognising its share of those surpluses only after its share of surpluses equals the share of deficits not recognised.

HDC's share in the associate's surplus or deficits resulting from unrealised gains on transactions between the HDC and its associates is eliminated.

HDC's investments in associates are carried at cost in HDC's own "parent entity" financial statements.

## Revenue

Revenue is measured at the fair value of consideration received.

### Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates collected on behalf of the Canterbury Regional Council (ECan) are not recognised in the financial statements as HDC is acting as an agent for ECan.

### Other revenue

Water Billing is recognised on volumes delivered on accrual basis.

Land Transport New Zealand roading subsidies are recognised as revenue upon entitlement which is when conditions pertaining to eligible expenditure have been fulfilled.

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract at the balance sheet date based on the actual service provided as a percentage of total services to be provided.

Sales of goods are recognised when the significant risks and rewards of ownership of the assets have been transferred to the buyer which is usually when the goods are delivered and title has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised as revenue, net of imputation credits, when the shareholders' rights to receive payment have been established.

Other revenue including assets vested in Council, with or without restrictions, is recognised as revenue when control over the assets is obtained.

### Development contributions

Development contributions are recognized as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise development contributions are recognized as liabilities until such time the Council provides, or is able to provide, the service.

Development contributions are classified as part of "Other Revenue".

### Borrowing costs

All borrowing costs are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

### Income tax

Income tax in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit.

Deferred tax liabilities are generally recognised for taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

## Leases

### Finance leases

A finance lease is a lease that 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 commencement of the lease term, HDC recognises finance leases as assets and liabilities in the statement of financial position and is depreciated over its useful life. If there is no certainty as to whether HDC 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.

Assets held under finance leases are recognised as assets of the Group at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

### Operational 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 on a straight-line basis over the lease term.

### Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, and with original maturities of three months or less.

### Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

### Financial Assets

The Group classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, held to maturity investments, loans and receivables and financial assets at fair value through equity.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates the designation every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit and loss in which case transaction costs are recognised in the statement of comprehensive income.

### Investments

Investments are recognised on a trade-date basis and are initially measured at fair value, including transaction costs. At subsequent reporting dates, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity debt securities) are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

Investments other than held-to-maturity debt securities are classified as either held-for-trading or available-for sale, and are measured at subsequent reporting dates at fair value.

Where securities are held for trading purposes, gains and losses arising from changes in fair value are included in the statement of comprehensive income for the period.

For available-for-sale investments, gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the statement of comprehensive income for the period.

### Impairment of investments

An impairment loss is recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

### Derivative financial instruments

The Group uses derivative financial instruments (primarily interest rate hedges and foreign currency forward contracts) to hedge the risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of financial derivatives is governed by the Group's policies approved by the Council and the HHL board of directors, which provide written principles on the use of financial derivatives consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

Such derivatives are initially recorded at fair value on contract date and are adjusted to fair value at subsequent reporting dates. Changes in the fair value of derivative financial instruments are recognised in the statement of comprehensive income as they arise.

## Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses for write downs or non-current assets held for sale are recognised in the statement of comprehensive income. Any increase in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

## Property, plant and equipment

Operational assets — These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.

Restricted assets — Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets — Infrastructure assets are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network.

Property, Plant and Equipment are at stated values less accumulated depreciation and impairment losses.

Fixtures and Fittings, Motor Vehicles, Plant and Equipment, and Library Books are stated at cost less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### 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 recognised in the statement of comprehensive income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### Subsequent costs

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 the Group

and the cost can be measured reliably.

### Revaluation

An assets fair value at the date of revaluation is equal to the revalued amount. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at balance date and this is generally every three years.

Revaluation increments and decrements are credited or debited to the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of comprehensive income. Any subsequent increase on revaluation that offsets a previous decrease in value is recognised in the statement of comprehensive income. Any increase will be recognised up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

### Operational Land and Buildings

Land and Buildings were valued by QV Valuations (Registered Valuers) as at 30 June 2008. The basis of valuation is fair value with reference to highest and best use, as at 30 June 2008. They are stated at valuation less accumulated depreciation and accumulated impairment.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred

### Restricted assets

Certain infrastructure assets and land have been vested in the Council as part of the sub divisional consent process. The vested reserve land has been initially recognised at the most recent appropriately certified government valuation. Vested infrastructure assets have been valued based on the estimated quantities of infrastructure components vested and the current "in the ground" cost of providing identical services.

### Infrastructural asset classes; roads, water reticulation, sewerage reticulation and stormwater systems

Infrastructural assets are recorded at valuation established using depreciated replacement cost, plus additions at cost less accumulated depreciation and accumulated impairment losses. The revaluation of infrastructural assets is carried out on a three yearly cycle.

The roading valuation includes land under the roading network. The valuation of this land is based on the average rateable value of land in the associated ward as determined by QV Valuations (Registered Valuers) as at 30 June 2005. Under NZ IFRS HDC has elected to use the fair value of the land under roads as at 30 June 2005 at deemed cost. Land under roads is no longer revalued.

Roading assets have been valued at depreciated replacement cost as at 30 June 2010. The valuation was performed internally by the Council's Roothing Engineer – Asset Management, J Whyte and peer reviewed by George JasonSmith, BE(NSW), MIPENZ(Civil), CPEng, Principal Asset Management Consultant for AECOM New Zealand Limited. Additions and disposals after the date of valuation will be recorded at cost.

Water and Sewage Assets have been valued at depreciated replacement cost as at 1 July 2009. The valuation was performed internally by the Manager of Engineering Services, B M Yates, Registered Engineer and peer reviewed by M Clough, Registered Valuer of Beca Valuations Limited. Additions and disposals since the date of valuation have been recorded at cost.

Certain infrastructural assets have been vested in Council as part of the subdivision consent process. Vested infrastructure assets have been valued based on the estimated quantities of the components vested in Council.

### Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment and intangible assets other than land and heritage assets, at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation on revalued assets is charged to the statement of comprehensive income. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

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

	Useful Life	Depreciation Rate
Buildings - wooden (excluding properties intended for sale)	50 years	2%
Buildings - concrete (excluding properties intended for sale)	100 years	1%
Furniture and fittings: administration	5 years	20%
Furniture and fittings: pensioner flats	10 years	10%
Library books	3 – 8 years	12.5 – 33.33%
Computer hardware	3 – 4 years	25 – 33.33%
Motor vehicles	5 years	20%
Thermal pools - plant	5 years	20%
Thermal pools – development expenditure	20 – 100 years	1% - 5%

## Depreciation

Plant and machinery (excluding Council infrastructural assets)	10 years	10%
Small plant and machines	3 - 10 years	10 - 33.33%
Car parks	20 – 25 years	4 – 5%
Landscaping	10 – 50 years	2 – 10%
Roads, Streets and Bridges		
- Land under roads	Not depreciated	0%
- Pavement formation	Not depreciated	0%
- Pavement layers (sealed)	100 years	1%
- Pavement layers (unsealed)	Not depreciated	0%
- Pavement surface (sealed)	Average 16 years	6.25%
- Pavement surface (unsealed)	12 years	8.33%
- Culverts	25 – 50 years	2 – 4%
- Kerb and channel	50 – 80 years	1.25 – 2%
- Footpaths	20 – 75 years	1.33 – 5%
- Bridges – timber	70 years	1.43%
- Bridges – concrete and other	100 years	1%
- Retaining walls	50 years	2%
- Traffic signs	12 years	8.33%
- Street lighting	15 – 25 years	4 – 6.67%
Sewerage		
- Pipes	50 – 80 years	1.25 – 2%
- Pipes other	40 years	2.5%
- Pumps and controls	10 – 25 years	4 – 10%
- Manholes	50 – 80 years	1.25 – 2%
- Treatment plant	25 – 60 years	1.67 – 4%
Water		
- Pipes	50 – 80 years	1.25 – 2%
- Pipes other	50 – 80 years	1.25 – 2%
- Reservoir and tanks	80 years	1.25%
- Pumps and controls	10 – 25 years	4 – 10%
- Pump stations/intakes	20 – 60 years	1.67 – 5%
- Treatment plant	10 – 80 years	1.25 – 10%
Intangible assets	3 - 10 years	10 - 33.33%

## Intangible assets

Software acquisition and development

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

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

### Amortisation

The carrying value of intangible assets with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the assets is available for use and ceases at the date that the asset is derecognised. The amortization charge for each period is recognised in the statement of comprehensive income.

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

Computer software	3 – 4 years	25 – 33%
Aerial Photos	10 years	10%

### Forestry assets

Forestry and other biological assets are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognised in the statement of comprehensive income. Point-of-sale costs include all costs that would be necessary to sell the assets, excluding costs necessary to transport the assets to market.

The fair value of standing timber older than 10 years, being the age at which it becomes marketable, is based on the market price of the estimated recoverable wood volumes, net of harvesting costs. The fair value of younger standing timber is based on the present value of the net cash flows expected to be generated by the plantation at maturity. The present values are calculated using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Forests are valued annually by Laurie Forestry Ltd. Any increase or decrease in the valuation is reflected in the statement of comprehensive income.

### Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transactions costs. After initial recognition, the Group measures all investment property at fair value as determined annually by an independent valuer. Gains or losses arising from a change

in the fair value of investment property are recognised in the statement of comprehensive income.

### Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists and for indefinite life intangibles, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the greater of market value less costs to sell and value in use.

The Group measures the value in use of assets whose future economic benefits are not directly related to their ability to generate net cash inflows held, at depreciated replacement cost.

In assessing value in use for other assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

For non-revalued assets, impairment losses are recognised as an expense immediately.

For revalued assets, other than investment property, the impairment loss is treated as a revaluation decrease to the extent it reverses previous accumulated revaluation increments for that asset class.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which revaluation increase to the extent that any impairment losses had been previously charged to comprehensive income.

### Employee entitlements

Provision is made in respect of the Group's liability for retiring gratuity allowances, annual and long service leave, and sick leave.

Short-term benefits - Employee benefits that the Council expects to be settled within 12 months of balance date are measured at nominal values based on 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, retiring and long service leave entitlements expected to be

settled within 12 months, and sick leave.

The Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Council anticipates it will be used by staff to cover those future absences.

The Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long service leave and retiring gratuity - The retiring gratuity and long service leave liability is assessed on an actuarial basis using current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement.

## Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event (either legal or constructive), and it is probable that the Group will be required to settle that obligation. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at balance date, and are discounted to present value where the effect is material. Provisions are not recognised for future operating losses.

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

The provision is 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, where there is sufficient evidence that these events will occur. The provision includes all other costs associated with landfill post-closure.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives. The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## Goods and services tax

These financial statements have been prepared exclusive of GST, except for receivables and payables, which are GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

## Budget figures

The budget figures are those approved by the Council at the beginning of the year after a period of consultation with the public as part of the Long Term Council Community Plan (LTCCP) or Annual Plan process. The budget figures have been prepared in accordance NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of the

financial statements.

## Cost allocation

HDC has derived the net cost of service for each significant activity of the Council using a system of cost allocation.

Direct Costs are charged directly to significant activities.

Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

'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.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and the like.

## Critical accounting estimates and assumptions

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

Management has exercised the following critical judgments in applying the accounting policies for the period ended 30 June 2010. Estimates over useful lives of property, plant and equipment and intangible assets, classification of property as an investment property, landfill aftercare provision, probability of reaching vesting date for long service liability, sick leave provisions, valuations of infrastructural assets. Therefore, actual results may differ from these estimates.

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

### Landfill aftercare provisions

Note 16 discloses an analysis of the exposure of HDC in relation to the estimates and uncertainties surrounding the landfill aftercare provisions.



## 2 - Summary of cost of services

	Actual 2010 \$000's	Council Budget 2010 \$000's	Actual 2009 \$000's
<b>Page Activities Revenue</b>			
117 Community Services & Facilities	4,030	3,877	2,520
129 Growth & Development	974	1,335	1,121
133 Environment & Safety	2,204	2,392	2,524
144 Utility Services & Infrastructure	14,161	14,200	19,970
157 Hanmer Springs Thermal Pools & Spa	6,768	6,687	6,316
159 Governance	788	786	798
Commercial Activities	988	1,027	1,027
Corporate Services	3,990	3,562	3,787
Total activity income	33,903	33,866	38,063
Less internal income	5,987	6,227	5,071
<b>Total Activities Revenue</b>	<b>27,916</b>	<b>27,639</b>	<b>32,992</b>
Gain/(loss) in forestry valuation	503	325	(36)
<b>Total Activities Revenue</b>	<b>28,419</b>	<b>27,964</b>	<b>32,956</b>
<b>Page Less Activities Expenditure</b>			
117 Community Services & Facilities	3,469	3,530	3,430
129 Growth & Development	1,099	1,335	1,093
133 Environment & Safety	2,748	2,392	3,037
144 Utility Services & Infrastructure	12,985	13,473	22,044
157 Hanmer Springs Thermal Pools & Spa	5,454	5,462	4,760
159 Governance	817	787	786
Commercial Activities	889	1,101	222
Corporate Services	3,942	3,874	4,005
Total activity income	31,403	31,954	39,377
Less internal expenditure	5,987	6,227	5,071
<b>Total Activities Expenditure</b>	<b>25,416</b>	<b>25,727</b>	<b>34,306</b>
<b>Net Surplus/(Deficit) before tax</b>	<b>3,003</b>	<b>2,237</b>	<b>(1,350)</b>
Tax Expense	0	0	0
<b>Net Surplus/(Deficit) after tax</b>	<b>3,003</b>	<b>2,237</b>	<b>(1,350)</b>
Add Other Comprehensive Income (not recognised in Activities Revenue or Expenditure)	33,505	410	2,380
<b>Total Comprehensive Income</b>	<b>36,508</b>	<b>2,647</b>	<b>1,030</b>

### Change of disclosure:

In 2008/2009 year, the Council Overhead was not included in the summary of cost of services. In the above numbers, the 2008/2009 figures have been restated to include Council Overheads. This change was made to ensure consistency with the 2009-2019 LTCCP.

### 3 - Revenue

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
<b>Rates revenue</b>				
District wide rates	5,125	5,074	5,125	5,074
Rate penalties	60	63	60	63
Targeted rates				
- Refuse	685	621	685	621
- Stormwater/Drainage	136	66	136	66
- Rural Fire	220	216	220	216
- Tourism	256	275	256	275
- Pool Inspections	24	18	24	18
- Medical Centres	167	89	167	89
- Amberley Library Rate	34	33	34	33
- Amenities	1,209	1,168	1,209	1,168
- Sewerage	534	526	534	526
- Water	3,513	3,402	3,513	3,402
	<b>11,963</b>	<b>11,551</b>	<b>11,963</b>	<b>11,551</b>
<b>Other revenue</b>				
Gain/(loss) in forestry valuation	503	(36)	503	(36)
Vested Asset Income	562	0	562	0
Interest	146	451	145	433
Dividends	33	34	33	34
Donations and Grants	1,527	560	1,527	560
Other Government Subsidies	78	294	78	294
Petrol Tax	120	107	120	107
Hanmer Springs Thermal Pools & Spa Receipts	6,768	6,316	6,768	6,316
Visitor Centre Retail Sales	619	700	619	700
User Charges	826	742	826	746
Rental	358	336	358	336
New Zealand Transport Authority subsidies	3,436	10,876	3,436	10,876
Regulatory revenue	1,025	1,380	1,025	1,380
Development contributions	456	(341)	456	(341)
	<b>16,457</b>	<b>21,419</b>	<b>16,456</b>	<b>21,405</b>
<b>Total revenue</b>	<b>28,420</b>	<b>32,970</b>	<b>28,419</b>	<b>32,956</b>

#### Rate Remissions

Rates revenue is shown gross of any rate remission, which are recorded as an expense. The Council's rates remission policy allows the Council to remit rates on condition of a ratepayers' extreme financial hardship, land used for sport, and land protected for historical or cultural purposes. During the 2009/2010 financial year. The Council provided remissions totalling \$20,921 (2009: \$26,994).

#### Non-rateable land

Under the Local Government (Rating) Act 2002, certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. These non-rateable properties may be subject to targeted rates in respect of sewerage, water and refuse collection. Non-rateable land does not constitute a remission under the Council's rate remission policy.

#### 4 - Employee benefit expense

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Salary and wages	7,722	7,402	7,722	7,402
Employer contribution to super	0	0	0	0
Increase/(decrease) in employee benefit liabilities	(149)	61	(149)	61
<b>Total employee benefit expenses</b>	<b>7,573</b>	<b>7,463</b>	<b>7,573</b>	<b>7,463</b>

#### 5 - Other expenses

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Fees paid to principal auditor				
- audit fees for financial statement audit	86	84	85	83
- audit fees for NZ IFRS transition	0	0	0	0
- audit fees for LTCCP	0	58	0	58
- disbursements charged	4	4	4	4
Depreciation of non-current assets	5,096	5,271	5,096	5,271
Amortisation of non-current assets	26	27	26	27
Loss on disposal of decommissioned roading assets	0	423	0	423
Rates written off	0	0	0	0
Expenses from other activities	12,632	21,008	12,632	20,977
<b>Total other expenses</b>	<b>17,844</b>	<b>26,875</b>	<b>17,843</b>	<b>26,843</b>

Audit New Zealand has been appointed as the audit service provider on behalf of the Auditor-General for the Council and the Group.

## 6 - Tax

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
<b>Components of tax expense</b>				
Current tax expense	0	0	0	0
Adjustment to current tax in prior years	0	0	0	0
Deferred tax expense	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Relationship between tax expense and accounting profit</b>				
Surplus/(deficit) before tax	3,008	(1,305)	3,003	(1,314)
Tax at 30%	902	(392)	901	(394)
Non-taxable income	(902)	392	(901)	394
Non-taxable expenditure	0	0	0	0
Deferred tax expense	0	0	0	0
Prior year adjustments	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Imputation credit account</b>				
Opening balance	295	295	0	0
Movements for the year	0	0	0	0
	<u>295</u>	<u>295</u>	<u>0</u>	<u>0</u>
<b>Closing balance</b>	<u><b>295</b></u>	<u><b>295</b></u>	<u><b>0</b></u>	<u><b>0</b></u>

## 7 - Cash and cash equivalents

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Cash at bank or in hand	2,326	1,636	2,326	1,324
Short term deposits with maturities of less than 3 months	0	1,006	0	1,006
	<u>2,326</u>	<u>2,642</u>	<u>2,326</u>	<u>2,330</u>
	<u><b>2,326</b></u>	<u><b>2,642</b></u>	<u><b>2,326</b></u>	<u><b>2,330</b></u>

## 8 - Trade and other receivables

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Trade and other receivables	1,253	4,208	1,253	4,518
Goods and services tax (GST) receivable	208	210	208	210
Allowance for doubtful debts	(5)	(5)	(5)	(5)
	<u>1,456</u>	<u>4,413</u>	<u>1,456</u>	<u>4,723</u>

The average credit period on sale of goods and services is nil as services are paid for at the start of the process. An allowance has been made for estimated irrecoverable amounts from the sale of services, determined by reference to past default experience. There was no movement in the allowance for the current or previous financial year.

Rates are paid in quarterly instalments and 10% penalty is added on any rates unpaid at the end of the quarter. A further additional 10% is added to all rates and additional charges from the previous year remaining unpaid at 1 July. A further additional charge of 10% is added to all rates and additional charges remaining unpaid at 1 January.

The status of receivables as at 30 June 2010 and 2009 are detailed below:

	2010			2009		
	Gross \$000's	Impairment \$000's	Net \$000's	Gross \$000's	Impairment \$000's	Net \$000's
<b>Council</b>						
Not past due	1,035	0	1,035	4,314	0	4,314
Past due 1-60 days	124	0	124	154	0	154
Past due 61-120 days	82	0	82	153	0	153
Past due >120 days	220	(5)	215	107	(5)	102
<b>Total</b>	<u>1,461</u>	<u>(5)</u>	<u>1,456</u>	<u>4,728</u>	<u>(5)</u>	<u>4,723</u>
<b>Group</b>						
Not past due	1,035	0	1,035	4,004	0	4,004
Past due 1-60 days	124	0	124	154	0	154
Past due 61-120 days	82	0	82	153	0	153
Past due >120 days	220	(5)	215	107	(5)	102
<b>Total</b>	<u>1,461</u>	<u>(5)</u>	<u>1,456</u>	<u>4,418</u>	<u>(5)</u>	<u>4,413</u>

## 9 - Non-current assets held for sale

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Land classified as held for sale	471	440	471	440
	<b>471</b>	<b>440</b>	<b>471</b>	<b>440</b>

The Council intends to dispose of parcels of land it no longer needs for its operations. Negotiations are being pursued with potential buyers.

## 10 - Property, plant and equipment

### Freehold Land and Buildings Carried at Fair Value

An independent valuation of the consolidated entity's land and buildings was performed by Quotable Value New Zealand, registered independent valuers not related to the consolidated entity, to determine the fair value of the land and buildings at 30 June 2008. The valuation, which confirms to New Zealand Property Institute Practice Standard 3 - Valuations for Financial Reporting Purposes, was determined by using standard and recognised valuation methods depending upon the type of property. Under the New Zealand Property Institute Practice Standard 1, which came into force from 1 May, 2004, all valuations must be assessed as at the date of inspection of the property, except where the valuation instructions are to assess the value at a retrospective date.

### Land under road

The valuation of this land is based on the average rateable value of land in the associated ward as determined by QV Valuations (Registered Valuers) as at 30 June 2005. Under NZ IFRS HDC has elected to use the fair value of the land under roads as at 30 June 2005 as deemed cost. Land under roads is no longer revalued.

### Roading assets

Roading assets have been valued at depreciated replacement costs as at 30 June 2010. The valuation was performed internally by the Council's Roothing Engineer - Asset Management, J Whyte, and peer reviewed by George JasonSmith, BE(NSW), MIPENZ(Civil), CPEng, Principal Asset Management Consultant for AECOM New Zealand Limited.

### Water and sewer assets

Water and sewer assets have been valued at depreciated replacement cost as at 1 July 2009. The valuation was performed internally by the Council's Manager of Engineering Services, B M Yates, Registered Engineer and peer reviewed by M Clough, Registered Valuer of Beca Valuations Limited.

## 10 Property, plant and equipment

	Cost/ Revaluation 1 July	Accumulated Depreciation 1 July	Carrying Amount 1 July	Current Year Additions	Current Year Disposals	Revaluation Surplus	Classified as held for sale	Current Year Depreciation	Accumulated Depreciation on Assets Sold	Revaluation 30 June	Accumulated Depreciation 30 June	Carrying Amount 30 June
<b>Operational Assets</b>												
Freehold Land	8,026	0	8,026	0	0	316	0	0	0	8,342	0	8,342
Council Buildings	7,848	284	7,564	294	0	35	0	123	0	8,177	407	7,770
Council Plant & Equipment	3,894	2,321	1,573	463	(230)	0	0	309	(173)	4,127	2,457	1,670
Library Books	894	685	209	64	0	0	0	60	0	958	745	213
Thermal Reserve Buildings	7,450	417	7,033	200	0	0	0	176	0	7,650	593	7,057
Thermal Reserve Plant & Equipment	7,766	3,680	4,086	81	(46)	0	0	376	0	7,801	4,056	3,745
<b>2009 Total</b>	<b>35,878</b>	<b>7,387</b>	<b>28,491</b>	<b>1,102</b>	<b>(276)</b>	<b>351</b>	<b>0</b>	<b>1,044</b>	<b>(173)</b>	<b>37,055</b>	<b>8,258</b>	<b>28,797</b>
Freehold Land	8,342	0	8,342	0	0	0	0	0	0	8,342	0	8,342
Council Buildings	8,177	407	7,770	399	0	0	0	130	0	8,576	537	8,039
Council Plant & Equipment	4,127	2,457	1,670	461	(224)	0	0	352	(206)	4,364	2,603	1,761
Library Books	958	745	213	58	0	0	0	62	0	1,016	807	209
Thermal Reserve Buildings	7,650	593	7,057	10	0	0	0	180	0	7,660	773	6,887
Thermal Reserve Plant & Equipment	7,801	4,056	3,745	2,038	(64)	0	0	310	0	9,775	4,366	5,409
<b>2010 Total</b>	<b>37,055</b>	<b>8,258</b>	<b>28,797</b>	<b>2,966</b>	<b>(288)</b>	<b>0</b>	<b>0</b>	<b>1,034</b>	<b>(206)</b>	<b>39,733</b>	<b>9,086</b>	<b>30,647</b>
<b>Restricted Assets</b>												
Freehold Land	18,930	0	18,930	10	0	(58)	0	0	0	18,882	0	18,882
Council Buildings	8,194	454	7,740	208	0	(35)	0	151	0	8,367	605	7,762
<b>2009 Total</b>	<b>27,124</b>	<b>454</b>	<b>26,670</b>	<b>218</b>	<b>0</b>	<b>(93)</b>	<b>0</b>	<b>151</b>	<b>0</b>	<b>27,249</b>	<b>605</b>	<b>26,644</b>
Freehold Land	18,882	0	18,882	271	0	0	0	0	0	19,153	0	19,153
Council Buildings	8,367	605	7,762	680	0	0	0	154	0	9,047	759	8,288
<b>2010 Total</b>	<b>27,249</b>	<b>605</b>	<b>26,644</b>	<b>951</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>154</b>	<b>0</b>	<b>28,200</b>	<b>759</b>	<b>27,441</b>
<b>Infrastructural Assets</b>												
Freehold Land	2,050	0	2,050	0	0	0	0	0	0	2,050	0	2,050
Roading Land	11,525	0	11,525	0	0	0	0	0	0	11,525	0	11,525
Water	27,542	2,632	24,910	1,597	0	1,588	0	825	0	27,270	0	27,270
Sewerage	14,483	962	13,521	438	0	683	0	311	0	14,331	0	14,331
Roading	161,296	5,913	155,383	3,269	(423)	0	0	2,940	0	164,142	8,853	155,289
Drainage	0	0	0	68	0	0	0	0	0	68	0	68
<b>2009 Total</b>	<b>216,896</b>	<b>9,507</b>	<b>207,389</b>	<b>5,372</b>	<b>(423)</b>	<b>2,271</b>	<b>0</b>	<b>4,076</b>	<b>0</b>	<b>219,386</b>	<b>8,853</b>	<b>210,533</b>
Freehold Land	2,050	0	2,050	0	0	0	0	0	0	2,050	0	2,050
Roading Land	11,525	0	11,525	552	0	0	0	0	0	12,077	0	12,077
Water	27,270	0	27,270	1,225	0	0	0	837	0	28,495	837	27,658
Sewerage	14,331	0	14,331	1,095	0	0	0	317	0	15,426	317	15,109
Roading	164,142	8,853	155,289	4,253	(423)	33,432	0	2,754	0	190,220	0	190,220
Drainage	68	0	68	762	0	0	0	0	0	830	0	830
<b>2010 Total</b>	<b>219,386</b>	<b>8,853</b>	<b>210,533</b>	<b>7,887</b>	<b>0</b>	<b>33,432</b>	<b>0</b>	<b>3,908</b>	<b>0</b>	<b>249,098</b>	<b>1,154</b>	<b>247,944</b>
<b>Intangible Assets</b>												
Software	389	319	70	5	0	0	0	27	0	394	346	48
<b>2009 Total</b>	<b>389</b>	<b>319</b>	<b>70</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>394</b>	<b>346</b>	<b>48</b>
Software	394	346	48	71	0	0	0	26	0	465	372	93
<b>2010 Total</b>	<b>394</b>	<b>346</b>	<b>48</b>	<b>71</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>0</b>	<b>465</b>	<b>372</b>	<b>93</b>
<b>Total 2009</b>	<b>280,287</b>	<b>17,667</b>	<b>262,620</b>	<b>6,697</b>	<b>(699)</b>	<b>2,529</b>	<b>0</b>	<b>5,298</b>	<b>(173)</b>	<b>284,084</b>	<b>18,062</b>	<b>266,022</b>
<b>Total 2010</b>	<b>284,084</b>	<b>18,062</b>	<b>266,022</b>	<b>11,875</b>	<b>(288)</b>	<b>33,432</b>	<b>0</b>	<b>5,122</b>	<b>(206)</b>	<b>317,496</b>	<b>11,371</b>	<b>306,125</b>

## 11 - Forestry assets

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Balance at 1 July	1,679	1,715	1,679	1,715
Gain/(losses) arising from changes in fair value	503	(36)	503	(36)
<b>Balance at 30 June</b>	<b>2,182</b>	<b>1,679</b>	<b>2,182</b>	<b>1,679</b>

The Council owns 215 hectares of predominantly radiata pine forestry, which are at varying stages of maturity ranging from 2 to 32 years.

### Valuation Assumptions

Independent registered forestry consultants, Laurie Forestry Limited, have valued the forestry stands as at 30 June 2010. The following valuation assumptions have been adopted in determining the fair value of forestry assets:

- a pre-tax discount rate of 8.5% (2009: 9.0%) has been used in discounting the present value of expected cash flows;
- the value of the underlying land has not been included in the valuation;
- the valuation assumes that the current tree crop will be grown for one rotation only, and that no new planting will be undertaken or charged against the existing crop.
- time conventions used in the valuation are that the valuation year commences at 1st July and ends 30th June the next calendar year. This convention applies to all costs, prices, yields and age of trees although it may need to be adjusted for any significant price movements during the valuation year.
- the valuation uses current and actual prevailing industry costs. The costs have been expressed in real terms, and no adjustment has been made for any possible changes in prices relative to cost.

### Financial risk management strategies

The Council is exposed to financial risks arising from changes in timber prices. The Council is a long-term investor in forestry and does not expect timber prices to change significantly into the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices.

## 12 - Other financial assets

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Financial Investments Available for Sale	0	2,351	0	2,351
Environment Canterbury - Waiiau River Loan	68	75	68	75
Shares carrying amount	257	257	257	257
Sinking funds carrying amount	0	0	0	0
<b>Fair value amount</b>	<b>325</b>	<b>2,683</b>	<b>325</b>	<b>2,683</b>

The financial statements include holdings in unlisted shares. Fair value is estimated using a combination of estimated future discounted cash flows and asset backing per share. The discounted cash flow approach includes some assumptions that are not supportable by observable market prices or rates. Changes in these assumptions do not significantly change the fair value recognised.

Changes in the fair value of unlisted shares are recognised through comprehensive income using the available for sale approach. The fair value movement recognised in comprehensive income for the period was a gain of \$Nil (2009: \$11,443). There were no impairments or realised gains or losses recognised in the statement of comprehensive for the period (2009: nil).



### 13 - Investments in associates

	Group	
	Actual 2010 \$000's	Actual 2009 \$000's
<b>Movements in the carrying amount of investment in Enterprise North Canterbury</b>		
Balance at 1 July	163	136
Share of total recognised revenues and expenses	<u>5</u>	<u>27</u>
<b>Balance at 30 June</b>	<b><u>168</u></b>	<b><u>163</u></b>
 <b>Summarised financial information of Enterprise North Canterbury</b>		
Assets	548	473
Liabilities	211	147
Revenues	849	848
Surplus/(deficit)	10	55
Group's interest	50%	50%

Enterprise North Canterbury recorded no contingent assets or contingent liabilities as at 30 June 2010 (2009: Nil).

## 14 - Financial Instruments

### Financial risk management objectives

The treasury function of the Group provides services to the business, co-ordinates access to domestic financial markets, and manages the financial risks relating to the operations of the consolidated entity.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives by the Group is approved by the Council as part of its Treasury Risk Management Policy. Compliance with the policies and exposure limits is reviewed by the Chief Executive Officer on an ongoing basis.

The activities of the Group expose it primarily to the financial risks of changes in interest rates, for which it may enter into forward interest rate contracts to manage interest rate risk and interest rate swaps to mitigate the risk of rising interest rates.

### Interest rate risk management

The Group would be exposed to interest rate risk if it borrows funds at both fixed and floating interest rates. Treasury policy provides that this risk is to be managed by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate swaps contracts and forward interest rate contracts.

As the Group has not needed to incur external borrowing, there are no interest rate swaps contracts or forward interest rate contracts outstanding at balance date. There are no unrealised gains or losses to be recognised and no gains or losses recognised. (2009: Nil outstanding and no gains or losses recognised)

### Maturity analysis of financial assets & liabilities

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Cash and cash equivalents	2,326	2,642	2,326	2,330
<i>Weighted average effective interest rate</i>	2.02%	2.06%	2.02%	1.82%
Trade receivables	1,456	4,422	1,456	4,724
<i>Weighted average effective interest rate</i>	nil	nil	nil	nil
Non interest bearing shares	257	257	257	257
Non interest bearing loans	68	75	68	75
Other Financial Investments				
Maturity 1 year or less	0	0	0	0
<i>Weighted average effective interest rate</i>	nil	7.43%	nil	7.43%
Maturity 1-2 years	0	488	0	488
Maturity 2-3 years	0	481	0	481
Maturity 3-4 years	0	450	0	450
Maturity 4+ years	0	932	0	932
	<u>0</u>	<u>2,351</u>	<u>0</u>	<u>2,351</u>
	<u><u>4,107</u></u>	<u><u>9,747</u></u>	<u><u>4,107</u></u>	<u><u>9,737</u></u>
Trade payables - less than 1 year	3,045	4,262	3,045	4,260
Income in advance	841	954	841	954

Council has determined that the carrying value of each instrument reflects the fair value.

### Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded are spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Council annually. The Group measures credit risk on a fair value basis.

Trade accounts receivable consist of a large number of customers, spread across diverse industries. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### 15 - Trade and other payables

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Trade payables	3,044	4,193	3,044	4,191
Goods and services tax (GST) payable	1	69	1	69
	<u>3,045</u>	<u>4,262</u>	<u>3,045</u>	<u>4,260</u>

The Group has a policy to pay payables within the credit timeframe and therefore does not incur interest charges on its payables.

### 16 - Provisions

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Current	8	8	8	8
Non-current	151	167	151	167
<b>Balance</b>	<u>159</u>	<u>175</u>	<u>159</u>	<u>175</u>

The provision for Landfill Aftercare costs represents the present value of the Council's best estimate of the future sacrifice of economic benefits that will be required to provide ongoing maintenance and monitoring of the closed Waikari Landfill.

## 17- Equity

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
<b>Asset revaluation reserve</b>				
Balance at 1 July	125,781	123,252	125,781	123,252
Revaluation increments/(decrements)	33,432	2,529	33,432	2,529
Other Adjustments	(9)	0	(9)	0
<b>Balance at 30 June</b>	<b>159,204</b>	<b>125,781</b>	<b>159,204</b>	<b>125,781</b>
The asset revaluation reserve arises on the revaluation of land and buildings, and infrastructural assets. Where a revalued land, building or infrastructural assets is sold that portion of the asset revaluation reserve which relates to that asset, and is effectively realised, is transferred directly to retained earnings.				
<b>Available for sale reserve</b>				
Balance at 1 July	78	78	78	78
Valuation gain/(loss) recognised	0	0	0	0
<b>Balance at 30 June</b>	<b>78</b>	<b>78</b>	<b>78</b>	<b>78</b>
The available-for-sale revaluation reserve arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold that portion of the reserve which relates to that financial asset, and is effectively realised, is recognised in profit or loss. Where a revalued financial asset is impaired that portion of the reserve which relates to that financial asset is recognised in profit or loss.				
<b>Special fund reserves</b>				
Balance at 1 July	4,699	5,227	4,699	5,227
Transfers in	2,216	(263)	2,216	(263)
Transfers out	(4,945)	(265)	(4,945)	(265)
<b>Balance at 30 June</b>	<b>1,970</b>	<b>4,699</b>	<b>1,970</b>	<b>4,699</b>
<b>Retained earnings</b>				
Balance at 1 July	141,488	142,450	141,325	142,296
Comprehensive income	3,081	1,039	3,076	1,030
Transfers from asset revaluation reserve	9	(2,529)	9	(2,529)
Other appropriations	0	0	0	0
Net special fund appropriations	2,729	528	2,729	528
<b>Balance at 30 June</b>	<b>147,307</b>	<b>141,488</b>	<b>147,139</b>	<b>141,325</b>
<b>Summary of equity accounts</b>				
Asset revaluation reserve	159,204	125,781	159,204	125,781
Available-for-sale revaluation reserve	78	78	78	78
Special fund reserves	1,970	4,699	1,970	4,699
Retained earnings	147,307	141,488	147,139	141,325
	<b>308,559</b>	<b>272,046</b>	<b>308,391</b>	<b>271,883</b>

## 18 - Statement of cash flow reconciliation

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
<b>Reconciliation of surplus for the period to net cash flows from operating activities</b>				
Net Surplus/(Deficit) after tax	3,008	(1,305)	3,003	(1,350)
<b>Non Cash Items</b>				
Vested assets	(562)	0	(562)	0
Gain/Loss on Fair Value of Forestry	(503)	0	(503)	36
Movement in Landfill Aftercare Liability	(16)	0	(16)	0
Loss on disposal of decommissioned roading assets	0	423	0	423
Depreciation and amortisation	5,122	5,298	5,122	5,298
	<b>4,041</b>	<b>4,416</b>	<b>4,041</b>	<b>5,757</b>
<b>Movements in working capital</b>				
(Increase)/decrease in Inventory	(61)	36	(61)	36
(Increase)/decrease in Receivables	2,889	(2,007)	2,889	(2,292)
Increase/(decrease) in Payables	(2,079)	1,583	(2,079)	1,583
Increase/(decrease) in Landfill Aftercare Provision	0	90	0	90
Increase/(decrease) in Current Employee Entitlements	(97)	0	(97)	0
Increase/(decrease) in Income in Advance	(113)	0	(113)	0
	<b>539</b>	<b>(298)</b>	<b>539</b>	<b>(583)</b>
<b>Other Movements</b>				
Gain on Sale of Plant, Property & Equipment	0	0	0	0
Purchase of Investments	(5)	(27)	0	0
Other Movements	0	20	0	(9)
Net GST	175	(123)	175	(159)
	<b>170</b>	<b>(130)</b>	<b>175</b>	<b>(168)</b>
<b>Net Cash Flow from Operating Activities (as per Statement of Cash Flows)</b>	<b>7,758</b>	<b>3,988</b>	<b>7,758</b>	<b>3,656</b>

### Cash balances not available for use

The total value of cash and cash equivalents that can be only used for a specific purpose is \$1.97 million (2009: \$4.7 million) Refer to Note 25.

## 19 - Capital commitments for expenditure

	Group		Council	
	Actual 2010 \$000's	Actual 2009 \$000's	Actual 2010 \$000's	Actual 2009 \$000's
Property, plant and equipment	5,600	1,200	5,600	1,200
	<b>5,600</b>	<b>1,200</b>	<b>5,600</b>	<b>1,200</b>

There are no operating commitments.

## 20 - Contingent assets and liabilities

The group has no contingent assets as at 30 June 2010 (2009: Nil).

The Council has been given advance notice from the Board of New Zealand Mutual Liability RiskPool that a call will be made on the Council for a share of the shortfall in the mutual pool's funds. The shortfall in the mutual pool's funds have been derived by the impact of the Leaky Building issue. The Council has been advised that the amount of the call is \$25,663 (2009:\$11,499).

There will be further calls on any shortfalls on the mutual pool's funds in the future, but the full extent of these calls have yet to be ascertained.

## 21 - Related party disclosures

The parent entity in the consolidated entity is the Council.

### Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 1 to the financial statements

### Transactions involving the parent entity

During the year, Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with the Hurunui District Council (such as payment of rates, use of transfer stations etc)

Cr Andrew Smart owns the Amberley Mobil Service Station that has a contract for services with Mobil New Zealand Limited for fuel. Cr Smart sells fuel under a franchise agreement with Mobil New Zealand Limited, and although his service station is not a party to the Council's contract with Mobil New Zealand Limited, it is a beneficiary of the arrangement. The contract for services was established prior to Cr Smart being elected a Hurunui District Councillor. This year's purchases from Mobil New Zealand Limited amounted to \$293,764 (2009: \$295,476) of which it is assessed that 60% of this amount was spent at the Amberley Mobil Service Station. The Office of the Auditor-General has approved this arrangement under section 3 (3) (a) of the Local Authorities (Members' Interests) Act 1968. As at 30 June 2010, the amount owing to Mobil New Zealand Limited amounted to \$23,122 (2009: \$23,740)

Other than the above, no Councillors or senior management have entered into related party transactions with the Group. No amounts were provided for doubtful debts relating to debts due from related parties as at 30 June 2010 (2009: nil).

### Hurunui Holdings Limited

As at 30 June 2010, the total payable from Hurunui Holdings Limited to Hurunui District Council was \$4,504 (2009: \$339,458), the bulk of which was the proposed dividend from the Company to the Council. During the financial year, the Council provided accounting and administration services to Hurunui Holdings Limited for \$nil (2009: \$4,500).

### Enterprise North Canterbury

During the financial year, the Council paid a grant of \$51,500 (2009: \$50,000) to Enterprise North Canterbury for its general purposes.

### Key management personnel compensation

The compensation of the Mayor, Councillors CEO and other senior management is set out below:

	Council	
	Actual 2010 \$000's	Actual 2009 \$000's
Employee benefit expenses	1,033	1,047
	<u>1,033</u>	<u>1,047</u>

## 22 - Remuneration

### Remuneration of the Chief Executive Officer

The Chief Executive Officer is employed on a five-year contract which will expire on 31 October 2012.

	Group		Council	
	Actual 2010 \$	Actual 2009 \$	Actual 2010 \$	Actual 2009 \$
Andrew Dalziel (Appointed 31 October 2007)				
- Salary	218,990	215,659	218,990	215,659
- Benefits	5,510	8,988	5,510	8,988
	<u>224,500</u>	<u>224,647</u>	<u>224,500</u>	<u>224,647</u>

### Remuneration of Mayor, Councillors and Board Members

	Group		Council	
	Actual 2010 \$	Actual 2009 \$	Actual 2010 \$	Actual 2009 \$
Russell Black	14,508	12,912	14,508	12,912
Julie Coster	14,508	15,002	14,508	15,002
Winton Dalley	21,868	22,467	21,868	22,467
Vincent Daly	14,508	14,634	14,508	14,634
Wendy Doody	14,508	17,341	14,508	17,341
Garry Jackson	49,268	61,635	49,268	61,635
Michael Malthus	28,245	29,452	28,245	29,452
Judy Meikle	21,868	32,526	21,868	32,526
Kerry Prenter	14,508	14,151	14,508	14,151
Andrew Smart	14,508	12,912	14,508	12,912
	<u>208,297</u>	<u>233,032</u>	<u>208,297</u>	<u>233,032</u>

## 23 - Severance Payments

Schedule 10(19) of the Local Government Act 2002 requires any severance including the tax liability to be disclosed. For the year ended 30 June 2010, no severance payments were made (2009: \$12,000).

## 24 - Subsequent Events

Subsequent to 30 June 2010, the Council has been formally vested a portion of land that was the former Queen Mary Hospital in Hanmer Springs. The land includes three heritage buildings that the Council has assumed responsibility for.

## 25 - Capital management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserve. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the council to make adequate and effective provision in its Long term Community Plan (LTCCP) and in its annual plans (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTCCP.

The Council has created reserves for different areas of benefit which are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

### Special Funds

	Opening	Appropriations		Closing
	Balance	In	Out	Balance
	1 July 2009			30 June 2010
	\$	\$	\$	\$
Amberley Beach Reserve	6,857	314	0	7,171
Amberley Pavilion Reserve	41,920	3,395	44,895	420
Amberley Ward Land Subdivision Reserve	79,472	3,642	83,114	0
Amberley Sewer Pipes Upgrade Development Reserve	0	14,600	0	14,600
Amberley Sewer Pond Upgrade Development Reserve	0	230,907	337,693	(106,786)
Amberley Water Development Reserve	0	109,579	114,205	(4,626)
Amberley Stormwater Development Reserve	0	95,511	225,600	(130,089)
Amuri Ward Land Subdivision Reserve	17,672	810	0	18,482
Amuri Community Centre	47,076	1,821	10,105	38,792
Cheviot Ward Land Subdivision Reserve	4,349	199	0	4,548
Cheviot RSA Fund	3,991	162	475	3,678
Glenmark Ward Land Subdivision Reserve	49,351	934	43,470	6,815
Waipara Pavilion Fund	0	64,208	28,177	36,031
Omihi Reserve Development	(12,668)	(969)	970	(14,607)
Hanmer Springs Hall Development Reserve	(54,848)	10,552	3,626	(47,922)
Hanmer Springs Township Development Reserve	257,748	52,902	0	310,650
Hanmer Springs Conical Hill	14,924	5,238	0	20,162
Hurunui Ward Land Subdivision Reserve	8,215	459	0	8,674
Waiau Gorge Ferry Bridge Preservation	81,368	9,768	0	91,136
Hanmer Springs Tourism Promotion	28,208	5,319	0	33,527
Queen Mary Development Reserve	385,811	39,189	0	425,000
Queen Mary Nurses Block Govt Grant Fund	0	1,508,443	0	1,508,443
District Library - Amberley Ward	(147,989)	34,200	9,774	(123,563)
District Library	(180,130)	23,361	12,658	(169,427)
Chamberlain Bros Trust	14,602	669	0	15,271
Graves Maintenance Trust	1,681	77	0	1,758
Culverden Domain Gates	488	22	0	510
Busch Legacy Trust	148	7	0	155
Hawarden Memorial Park	6,132	260	783	5,609
Bridson Trust	884	41	0	925
Forrester Trust	947	43	0	990
Adverse Events Rescue	13,114	0	0	13,114
Hurunui Disaster Recovery Reserve	4,029,842	0	4,029,842	0
	<b>4,699,165</b>	<b>2,215,663</b>	<b>4,945,387</b>	<b>1,969,441</b>



# COUNCIL CONTROLLED ORGANISATIONS

## HURUNUI HOLDINGS LIMITED

### Background

The Hurunui District Council owns 100% of the shares in Hurunui Holdings Limited. The Company was previously incorporated to hold the Council's shares in the Lyttleton Port Company. The shares in the Port Company were subsequently sold. In May 2004, Hurunui Roding Limited, another Council Controlled Organisation incorporated to undertake the roading contract work of Council, was amalgamated with Hurunui Holdings Limited.

### Council Objective and Scope of Activities

Since the sale of the Port Company shares, Hurunui Holdings Limited's principal activity has been investment of funds. The future of the Company has been reviewed and it has been resolved that all assets and liabilities of the Company are transferred to Council by way of an imputed dividend. The Company will remain as a non-trading shelf company with the tax losses to be carried forward remaining intact. The tax losses may provide Council with some potential tax benefits in the future.

### Key Performance Measures

As no Statement of Intent has been prepared for Hurunui Holdings Limited, there are no formal performance measures to report against.

### Results

The Hurunui Holdings Limited Annual Report, reports the following results for the year ended 30 June 2010:

#### Financial Performance:

Operating Surplus	-
Tax Expense	-
Net Surplus After Tax	\$Nil

#### Movements in Equity:

Equity at the start of the year	-
Net Surplus After Tax	-
Less Proposed Dividend	-
Equity at the end of the year	\$Nil

## ENTERPRISE NORTH CANTERBURY

### Background

Enterprise North Canterbury is a charitable trust which provides promotions and economic development services for the North Canterbury region. On behalf of Waimakariri and Hurunui District Councils its activities are focussed on developing existing businesses and promoting new businesses within the region. The Trust also promotes the region as a visitor destination.

The Mayors of the two Councils are trustees and the two Chief Executive Officers are advisory trustees. Other trustees are appointed jointly by the Hurunui and Waimakariri District Councils.

### Key Performance Measures

1. To encourage the development of exceptional businesses
2. To encourage the development of exceptional land-use
3. To encourage the development of exceptional experiences
4. To encourage the development of exceptional infrastructure

### Results

The Council will review the Annual Report for Enterprise North Canterbury, which includes the following achievements for the key performance measures listed above:

1. To encourage the development of exceptional businesses.
  - 1.1 Encourage collaboration, networking and/or clustering to facilitate the development of exceptional products,

- services, workplaces, productivity and/or profitability – ENC held business update functions, ran the Women in Business Forum and ran other networking functions.
- 1.2 Provide, or facilitate the provision of, training programmes and remote learning to develop the skills of business owners and managers as well as frontline staff – ENC held 27 training workshops, to which of the 381 attendees, 33% were from the Hurunui.
  - 1.3 Celebrate and recognise business leaders and business successes – Due to lack of entries, the 2009 Business Awards function and the 2010 North Canterbury Exceptional Business Awards were not held.
  - 1.4 Promote mentoring services to businesses where applicable – ENC and Business Mentors NZ co-hosted a ‘Meet the Mentors’ in April.
  - 1.5 Participate in local and regional planning and policy development initiatives to ensure that a business-friendly environment exists in the region. – ENC made successful funding applications to the Regional Strategy Fund for \$100k (over 2 years) for the Rural Technology Transfer project; a joint application for \$99,500 to lead and develop a Canterbury-wide Food and Wine Trail; and a joint application for \$58,000 to assess rural broadband solutions.
  - 1.6 Provide an information brokerage service for local businesses – ENC has grown the Exporter Database by 30%, has prepared four issues of the Business Gems e-zine and fielded start-up enquiries.
  - 1.7 Undertake research to identify gaps, opportunities and track business issues and trends. The outcomes should be used to stimulate discussion on the impact to the region and facilitate appropriate responses as a result – ENC carried out a Business Confidence Survey every six months and an ENC Client Satisfaction Survey.
  - 1.8 Drive the implementation of the region’s Labour Market Strategy - aimed at developing exceptional workplaces and people - ENC continued to implement the contract for Enterprising Communities with the Ministry of Social development.
- 2 To encourage the development of exceptional land-use
    - 2.1 Facilitate technology transfer that will increase the rural sector’s productivity in an ecologically and socially sound manner that leads to sustainable rural export growth – The Rural Technology Transfer Project will be delivered over the next two years.
    - 2.2 Undertake research to identify economic growth and collaborative opportunities from the diversification of land use, alternative crops, use of small holdings and/or development of under-utilised natural resources - No new research was undertaken this year due to lack of targeted funding
  - 3 To encourage the development of exceptional experiences
    - 3.1 Explore possibilities for a formal partnership between Visit Waimakariri and Alpine Pacific Tourism (now Hurunui Tourism) to encourage the development of quality activities and experiences for the North Canterbury region as a whole - ENC were unable to achieve sufficient commitment to develop a formal partnership between the Hurunui and Waimakariri district.
  - 4 To encourage the development of exceptional infrastructure
    - 4.1 Facilitate access to better digital connections (broadband) so as to enhance business productivity, profitability and service delivery (as well as to assist local residents) - ENC has been engaged in Government’s Ultra-Fast and Rural Broadband Initiatives
    - 4.2 Identify infrastructural gaps that impact on developing exceptional businesses, exceptional land-use and exceptional experiences, and lobby appropriate agencies for such facilities and services. This might include assets for destination management as well as the specific needs of business - No additional infrastructure gaps were identified where intervention by ENC could have resulted in an outcome useful to business.

## TRANSWASTE CANTERBURY LIMITED

### Background

Transwaste Canterbury Limited operates a regional landfill at Kate Valley and associated transport services in a joint venture with Canterbury Waste Services.

The Hurunui District Council is one of the councils in the Canterbury region which between them own 50% of the shares in Transwaste Canterbury Limited. Hurunui's share of the Company amounts to 1.2%.

The council shareholders appoint representatives to a joint committee which in turn appoints four of the eight directors.

### Key Performance Measures

1. To ensure that Transwaste performs in accordance with its Statement of Intent.

### Results

Council has not formally reviewed the Company's Annual Report to measure performance against the Statement of Intent.

## CANTERBURY ECONOMIC DEVELOPMENT COMPANY LIMITED

### Background

The Canterbury Economic Development Company is a new Council Controlled Organisation (CCO) that enables the allocation of regional partnership funding for economic development from Central Government for the Canterbury Region. Two of the ten Company Directors represent North Canterbury; one was nominated by the three Councils (Kaikoura, Hurunui and Waimakariri District's) and the other is an industry representative endorsed by the Councils. These directors will represent North Canterbury during the contestable funding allocation processes to be undertaken by this CCO.

### Key Performance Measures

1. Facilitate project proposals in the region.
2. Provide leadership to stimulate and transform the Canterbury economy.
3. Communicate national shifts to regional economic development role players.

### Results

The Canterbury Economic Development Company Limited worked with New Zealand Trade and Enterprise (NZTE) on assessing what projects aligned with the criteria around the Regional Strategy Fund guidelines and the Canterbury Regional Development Strategy. Projects that were successful in the application process are:

- Canterbury Water Infrastructure Project (lead by Environment Canterbury)
- Canterbury Food & Wine Trial (lead by Enterprise North Canterbury)
- Canterbury Broadband (lead by Selwyn District Council)
- Rural Technology Transfer Project (lead by Enterprise North Canterbury)
- Canterbury Regional Innovation System Project (lead by Canterbury Development Corporation)
- The Blueprint Farm Business Plan Project (lead by Aoraki Development Trust)

Full allocation of funding for the Regional Strategy Fund has been obtained.

# GROUPS OF COUNCIL ACTIVITIES

## INTRODUCTION

This section gives summaries of each group of council activities. It includes:

- The Community Outcomes to which the group of activities primarily contributes and a reference to the page number where measurements of progress towards the achievement of those outcomes can be found (in the Community Outcomes section pages 12 of this document).
- Activity performance measurements and results, including a comparison between the actual and the intended levels of service provision as set out in the Hurunui Long Term Community Plan 2009-2019 (for the 2009/10 year), and an explanation in the case of any significant variations. Some of these are based on survey results from surveys undertaken by Opinions Market Research Limited. A representative sample of Hurunui District residents was contacted by telephone and asked specific questions about selected Council activities. These operate as “rolling surveys”; not every area of interest is surveyed every year. The sample size for the survey undertaken in February 2010 was 500. The margin for error for the survey as a whole was  $\pm 4.3\%$ .
- Any significant acquisitions or replacements of assets and the reasons for these. Also the reasons for any significant variation between the acquisitions and replacements projected in the HLTCP 2009/19 and those actually made.
- A financial summary comparing the actual and the budgeted revenue, expenditure and capital as projected in the HLTCP 2009-19.

## ACTIVITIES WITHIN THE GROUPS OF ACTIVITIES

### (1) Community Services and Facilities

- 1.1 *Library*
- 1.2 *Township Facilities*
- 1.3 *Property*
- 1.4 *Public Toilets*
- 1.5 *Cemeteries*
- 1.6 *District Parks and Reserves*
- 1.7 *Grants and Service Awards*

### (2) Growth and Development

- 2.1 *Tourism*
- 2.2 *Visitor Information Centre*
- 2.3 *Economic Development*

### (3) Environment and Safety

- 3.1 *Resource Management / Planning*
- 3.2 *Civil Defence*
- 3.3 *Rural Fire*
- 3.4 *Building Compliance*
- 3.5 *Public Health and Liquor Licensing*
- 3.6 *Animal Control*

### (4) Utility Services / Infrastructure

- 4.1 *Roading Network*
- 4.2 *Waste Minimisation*
- 4.3 *Sewerage*
- 4.4 *Stormwater / Drainage*
- 4.5 *Water Supplies*

### (5) Hanmer Springs Thermal Pools and Spa

### (6) Governance

## (1) COMMUNITY SERVICES AND FACILITIES

### Activities included:

- 1.1 Library
- 1.2 Township Facilities
- 1.3 Property
- 1.4 Public Toilets
- 1.5 Cemeteries
- 1.6 District Parks and Reserves
- 1.7 Grants and Service Awards

### Achievement of Levels of Service:

Refer to the performance measures and end of year result.

### Significant acquisitions or replacement of assets

Footpath construction work was carried out in a number of townships in the district. Work was carried out on the Main Street Upgrade of Amberley and the Town Centre Development in Hanmer Springs. The Council also purchased additional land for township reserves in Leithfield and Rotherham.

### Significant variations between actual costs and Annual Plan 2009/2010 projections

Total revenue was \$152,826 higher than the budget for the year. Income derived from reserves, in the form of camping fees and livestock trading, was greater than was allowed for in the LTCCP. The additional number of pensioner housing units, as a result of the construction that was funded by the Canterbury Community Trust, had pushed the income from rental higher than what was budgeted for. Income derived from Other Property was also up on the budgeted level for the year.

Total Operating Expenditure was down on budget by \$64,745 for the year. Employment expenses, particularly for Cemeteries and District Reserves were down on the level budgeted for. Other Direct Expenditure was up on budget, where costs relating to the Public Toilets were higher than budgeted and also the incurring of unbudgeted costs such as Hanmer Spring's legal costs relating to an appeal to a resource consent decision. Internal Interest was \$83,506 lower than the level budgeted for as the major capital work was delayed, resulting in the communities not being in debt to the level previously anticipated.

Capital Expenditure ended the year \$549,733 behind budget. The key variances were: only \$53,487 of the budgeted \$1,000,000 project for the new medical centre at Rotherham was spent. In addition, due to the delays in the formal vesting of the portion of the Queen Mary Hospital site in Hanmer Springs, only a portion of the budgeted cost for the required capital works on the buildings was undertaken. Work on new pensioner housing units was completed in the financial year with funds that were previously donated by the Canterbury Community Trust. The Council also purchased additional land for township reserves in Leithfield and Rotherham, which had not been budgeted for.

### Community Outcomes to which this group of activities primarily contribute

Community Outcome	Reported on Page #
A Desirable Place to Live, Work and Play	15

## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Community Services &amp; Facilities (Summary)</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	1,541,428	1,515,378	1,569,986
Other Income	2,200,787	2,075,186	1,164,892
Internal Interest Received	78,659	49,857	127,682
Development Contributions	157,595	185,122	(394,281)
Council Overheads (Income)	51,838	51,938	51,549
<b>Total Operating Revenue</b>	<b>4,030,307</b>	<b>3,877,481</b>	<b>2,519,828</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	579,910	638,490	566,178
Other Direct Expenditure	1,850,007	1,791,587	1,848,668
Internal Interest Paid	94,087	177,593	91,345
Council Overheads	595,601	595,601	583,995
Depreciation	346,032	327,111	340,304
<b>Total Operating Expenditure</b>	<b>3,465,637</b>	<b>3,530,382</b>	<b>3,430,490</b>
<b>Operating Surplus (Deficit)</b>	<b>\$564,670</b>	<b>\$347,099</b>	<b>(\$910,662)</b>
<b>CAPITAL EXPENDITURE</b>			
Library	58,859	59,500	64,015
Township Facilities	1,112,521	1,658,250	310,281
Property	318,196	0	267,493
Public Toilets	88,834	50,000	22,246
Cemeteries	0	2,000	8,640
District Reserves	227,248	585,640	0
Grants & Service Awards	0	0	0
<b>Total Capital Expenditure</b>	<b>\$1,805,657</b>	<b>\$2,355,390</b>	<b>\$672,675</b>

## 1.1 LIBRARY

**Goal:** To provide a service that will support the community to meet and extend their educational, recreational, cultural and information needs.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
The library is accessible to most people within the District	Review the library opening hours on a regular basis to check that they meet the needs of the local communities	The Hanmer Springs Library/Service Centre hours are extended to include Monday opening	Monday opening started on the 21st of September 2009.
		Review the staffed libraries opening hours	The Library Review recommended no changes in branch structure or reduction in opening hours. It did suggest further monitoring of library use during opening hours and this will take place in the 2010/11 year.
Customers are satisfied with the library service	Undertake an annual residents satisfaction survey	At least 90% of residents are satisfied with the library service	From the annual residents satisfaction survey, 98% of residents who visited a library were satisfied with the service.
	Ensure the library collection meets the needs of the community	A minimum of 85% of customers have used their library card at least biannually	736 new borrowers have joined the library in the past 9 months. Current membership is 7,945. We are currently unable to run reports on inactive membership. When this report is run it is likely that the active membership level will reduce slightly due to borrowers having left the district.
Library technology is available in our libraries to support a relevant service for our communities	Implement a redesign and layout of the library website and related links	New website layout implemented	This is dependent on the launch of the new HDC website and will take place in the 2010/11 year.
		Online forms available for customers	This is dependent on the launch of the new HDC website and will take place in the 2010/11 year.
To have access to local history resources within the Hurunui District	Collaborate with organisations and groups involved in collecting and storing local history items	Local history items are digitised and available to all (subject to external funding)	We have been working with the local archives and historical societies to digitise their collections of photographs and documents. To date over 1,500 images have been added and over 80 topics created. These images have come from the Cheviot Museum, Hanmer Springs Archives and the Waipara County Historical Society.
Volunteers continue be involved in the Hurunui District libraries	Volunteers are encouraged and provided with training	No less than one training/information session is held each year	More than one training session has been held in the 2009/2010 year.
		Volunteers numbers remain constant in each of the 8 libraries in the District	The number of volunteers has remained steady throughout the District's library network, 170 volunteers overall. There has been one new volunteer in Amberley, with a total of 40 volunteers and other areas range from approximately 2-3 to 20 volunteers.

## Financial Detail:

	<b>2009/2010 Actual</b>	<b>2009/2010 Budget</b>	<b>2008/2009 Actual</b>
<b><u>Library</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	34,200	29,775	121,329
Other Income	51,919	49,200	49,455
Development Contributions	23,361	22,816	(25,610)
<b>Total Operating Revenue</b>	<b>109,479</b>	<b>101,791</b>	<b>145,174</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	339,158	342,186	329,186
Other Direct Expenditure	139,962	129,000	124,978
Internal Interest Paid	22,432	21,500	23,657
Council Overheads	160,219	160,219	157,350
Depreciation	97,281	103,861	98,673
<b>Total Operating Expenditure</b>	<b>759,052</b>	<b>756,766</b>	<b>733,844</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$649,573)</b>	<b>(\$654,975)</b>	<b>(\$588,670)</b>
<b>CAPITAL EXPENDITURE</b>			
Library	58,859	59,500	64,015
<b>Total Capital Expenditure</b>	<b>\$58,859</b>	<b>\$59,500</b>	<b>\$64,015</b>



## 1.2 TOWNSHIP FACILITIES

**Goal:** To ensure that local communities have suitable amenities and that townships are well-maintained.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Provide and maintain buildings to support activities and recreational needs for local communities	Provide medical buildings to attract primary health professionals in rural areas	Each rural medical practice has a practicing general practitioner	General practitioners are established in each of the rural medical centres in the District
	Upgrade halls in response to community needs	Upgrade the Amberley Domain Pavilion	Kitchen, bar and toilet facilities upgrading completed.
	Undertake an annual residents satisfaction survey	85% of residents surveyed consider the standard of halls to be satisfactory	94% of residents surveyed who had visited a local hall found the standard to be satisfactory.
Maintain the townships to ensure they appear neat and tidy	Employ staff and contractors to undertake cleaning, gardening and maintenance work	Contracts monitoring records confirm work done as per contract specifications	Continued monitoring indicated an improved standard of mowing particularly in the areas that were below standard. A neat and tidy appearance is now achieved within townships.
	Undertake an annual residents satisfaction survey	85% of residents surveyed consider the standard of footpaths to be satisfactory	74% of residents surveyed were satisfied with the standard of footpaths. This is an increase from the previous year. 8% of those surveyed gave no opinion.

## Financial Detail:

	<b>2009/2010 Actual</b>	<b>2009/2010 Budget</b>	<b>2008/2009 Actual</b>
<b><u>Township Facilities</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	1,375,672	1,354,804	1,337,122
Other Income	241,450	191,986	359,364
Internal Interest Received	51,966	35,895	75,733
Development Contributions	113,296	117,307	(22,256)
<b>Total Operating Revenue</b>	<b>1,782,385</b>	<b>1,699,992</b>	<b>1,749,963</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	180,746	188,017	177,969
Other Direct Expenditure	821,321	789,089	900,633
Internal Interest Paid	71,655	156,093	67,688
Council Overheads	145,274	145,274	148,881
Depreciation	129,593	110,237	130,344
<b>Total Operating Expenditure</b>	<b>1,348,590</b>	<b>1,388,710</b>	<b>1,425,515</b>
<b>Operating Surplus (Deficit)</b>	<b>\$433,795</b>	<b>\$311,282</b>	<b>\$324,448</b>
<b>CAPITAL EXPENDITURE</b>			
Amberley Ward	533,240	376,000	29,318
Amuri Ward	98,162	70,500	88,062
Cheviot Ward	15,228	18,000	48,224
Glenmark Ward	28,177	0	47,449
Hanmer Springs Ward	311,742	155,750	86,749
Hurunui Ward	25,525	22,000	5,169
Medical Centres	100,447	1,016,000	5,310
<b>Total Capital Expenditure</b>	<b>\$1,112,521</b>	<b>\$1,658,250</b>	<b>\$310,281</b>

## 1.3 PROPERTY

**Goal:** To ensure that venues meet social, recreational, economic and cultural needs of the local community.

**Performance Measures:**

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Maintain Council owned properties so that they are safe and fit for purpose	Engage suitably qualified professionals or contractors to undertake work needed to review and maintain buildings	Improved heating and insulation in older Pensioner Units	Heat pumps are installed in all pensioner units. Quotes for double glazing currently being obtained.
		Council owned premises have a 95% occupancy rate	100% occupancy rate for all Council Housing in areas, Amberley, Waikari, Hanmer Springs and Cheviot as at the 31 December 2009. Between January-June 2010, the occupancy rate dropped to 97% with one vacant unit in Cheviot.
Purchase land for future development	Establish where land is needed and purchase accordingly	Purchase land to relocate the Amberley Transfer Station	The relocation of the Amberley Recycling Station has been deliberately postponed due to the current re-evaluation of recycling services. This work is ongoing and the current site is being updated to ensure it meets the conditions of the consent.
To ensure that all Council owned property not required for Council or public use is leased out	Regularly review leases and property portfolios	All buildings not required by Council or the public are leased out within 6 months of being vacant	All surplus council land is leased out. No buildings are vacant, except for 1 of the 2 available office spaces at the Ex Chambers building in Culverden, which has been vacant for more than 6 months but for which no lease is actively being sought as it is currently being used by the Council for storage. 101A Carters Road is now tenanted for a three year term.

## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Property</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	36,712	36,606	24,597
Other Income	317,675	234,000	685,390
Council Overheads (Income)	51,838	51,938	51,549
<b>Total Operating Revenue</b>	<b>406,224</b>	<b>322,544</b>	<b>761,536</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	17,152	15,547	22,320
Other Direct Expenditure	191,050	179,550	223,888
Council Overheads	42,059	42,059	40,654
Depreciation	89,242	85,388	81,514
<b>Total Operating Expenditure</b>	<b>339,504</b>	<b>322,544</b>	<b>368,376</b>
<b>Operating Surplus (Deficit)</b>	<b>\$66,721</b>	<b>\$0</b>	<b>\$393,160</b>
<b>CAPITAL EXPENDITURE</b>			
Pensioner Housing	293,053	0	225,461
Residential Housing	0	0	0
Other Property	23,576	0	3,350
Depots	1,567	0	38,682
<b>Total Capital Expenditure</b>	<b>\$318,196</b>	<b>\$0</b>	<b>\$267,493</b>

## 1.4 PUBLIC TOILETS

**Goal:** To provide and maintain public toilets at strategic localities throughout the District

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To have well maintained public toilets located in each of the main townships	Employ staff and contractors to maintain and clean the districts public toilets	Contracts monitoring records confirm work done as per contract specifications	Routine monitoring by Council staff ensured work was carried out to meet contract specifications. Vandalism and other damage were repaired quickly.
	Investigate complaints about the standard of the toilets	All complaints are followed up within 48 hours	All complaints were recorded in the Council's service request system and progress logged to ensure that any required action was completed within 48 hours.
	Undertake an annual residents satisfaction survey	85% of residents who have used the public toilets are satisfied	90% of residents surveyed who visited a public toilet were satisfied with the quality of the facility provided.

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Public Toilets</b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	0	0	0
Other Income	0	0	62
<b>Total Operating Revenue</b>	<b>0</b>	<b>0</b>	<b>62</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	3,522	0	3,578
Other Direct Expenditure	269,611	245,500	278,536
Council Overheads	28,626	28,626	28,226
Depreciation	29,748	27,425	29,606
<b>Total Operating Expenditure</b>	<b>331,507</b>	<b>301,551</b>	<b>339,946</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$331,507)</b>	<b>(\$301,551)</b>	<b>(\$339,884)</b>
<b>CAPITAL EXPENDITURE</b>			
Public Toilets	88,834	50,000	22,246
<b>Total Capital Expenditure</b>	<b>\$88,834</b>	<b>\$50,000</b>	<b>\$22,246</b>

## 1.5 CEMETERIES

Goal: To provide peaceful, aesthetically pleasing and accessible cemeteries within the Hurunui District.

## Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result																																								
To have sufficient plots available in all wards to meet current and future demands	Plan and assess for plot demand and acquire and designate land accordingly	Cemetery records verify availability keeping up with demand	<p>Plot availability is keeping up with demand.</p> <p>Plots sold for the period 1st July 2009 – 30th June 2010 are as follows:</p> <p>Balcairn 34, Culverden 2, Glenmark 7, Hanmer Springs 7, Homeview 10, Horsley Down 6, Rotherham 1, Waiau 5, Waikari 1. TOTAL 73.</p> <p>The plots that are presently available and the plots that are marked out but undeveloped at each cemetery at 30th June 2010, as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Cremation</th> <th>Burial</th> <th>Undeveloped</th> </tr> </thead> <tbody> <tr> <td>Balcairn</td> <td>10</td> <td>271</td> <td>508</td> </tr> <tr> <td>Hanmer Springs</td> <td>10</td> <td>91</td> <td>451</td> </tr> <tr> <td>Culverden</td> <td>30</td> <td>304</td> <td>0</td> </tr> <tr> <td>Glenmark</td> <td>9</td> <td>48</td> <td>945</td> </tr> <tr> <td>Waiau</td> <td>11</td> <td>30</td> <td>280</td> </tr> <tr> <td>Homeview</td> <td>7</td> <td>79</td> <td>134</td> </tr> <tr> <td>Horsley Down</td> <td>2</td> <td>166</td> <td>285</td> </tr> <tr> <td>Waikari</td> <td>21</td> <td>849</td> <td>0</td> </tr> <tr> <td>Rotherham</td> <td>0</td> <td>381</td> <td>0</td> </tr> </tbody> </table> <p>0 = fully developed</p>		Cremation	Burial	Undeveloped	Balcairn	10	271	508	Hanmer Springs	10	91	451	Culverden	30	304	0	Glenmark	9	48	945	Waiau	11	30	280	Homeview	7	79	134	Horsley Down	2	166	285	Waikari	21	849	0	Rotherham	0	381	0
		Cremation	Burial	Undeveloped																																							
Balcairn	10	271	508																																								
Hanmer Springs	10	91	451																																								
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Waiau	11	30	280																																								
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Horsley Down	2	166	285																																								
Waikari	21	849	0																																								
Rotherham	0	381	0																																								
	Contract gardeners, ground-keepers and sextons to maintain cemeteries	Contracts monitoring records confirm work done as per contract specifications	Routine monitoring of contractors' performance throughout the year confirmed work was carried out to specifications.																																								
To ensure that cemeteries are well-maintained and aesthetically pleasing	Construct new berms in Waiau and Balcairn Cemeteries	New berms are constructed in Waiau	New berms were constructed in Balcairn, Culverden and Hanmer Springs cemeteries as they became a higher priority than Waiau. New berms will be completed in Waiau during the 2010/2011 year.																																								
	Undertake an annual residents satisfaction survey	90% of residents surveyed who have visited a cemetery consider the standard to be satisfactory	90% of residents surveyed who visited a cemetery considered it to be satisfactory.																																								

## Financial Detail:

	<b>2009/2010 Actual</b>	<b>2009/2010 Budget</b>	<b>2008/2009 Actual</b>
<b><u>Cemeteries</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	0	0	0
Other Income	55,873	50,000	32,421
<b>Total Operating Revenue</b>	<b>55,873</b>	<b>50,000</b>	<b>32,421</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	13,141	34,111	12,570
Other Direct Expenditure	73,907	82,400	76,934
Council Overheads	41,585	41,585	40,210
Depreciation	167	200	167
<b>Total Operating Expenditure</b>	<b>128,800</b>	<b>158,296</b>	<b>129,881</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$72,927)</b>	<b>(\$108,296)</b>	<b>(\$97,460)</b>
<b>CAPITAL EXPENDITURE</b>			
Cemeteries	0	2,000	8,640
<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$8,640</b>

## 1.6 DISTRICT PARKS &amp; RESERVES

Goal: To ensure the District's Reserve network is well maintained and developed to a standard and purpose that people can enjoy

## Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To care for parks and reserves for residents and visitors to enjoy	Working toward achieving the actions set out in the Reserves Management Plan	Projects are undertaken annually in accordance with the Plan	Several projects and maintenance programmes were completed in accordance with the plan. Examples include the Brooke Dawson Reserve and the Amuri Reserve redevelopment as well as various maintenance works in other reserves. Which were projects funded for the 2009/2010 year. All projects set out for the 2009/2010 year were undertaken.
	Involve local communities and reserve committees in the planning and developing of their reserves	Contestable funding is spent each year on reserve improvements	The Council distributed contestable funding to each of the ward committees and board. This was distributed late in the 2009/10 year. Committees have developed their projects, but not all have completed them due to the late arrival of the funding.
	Undertake an annual residents satisfaction survey	The standard of parks and reserves is considered to be satisfactory by 85% of residents	87% of residents surveyed, who visited a park or reserve considered the standard to be satisfactory.
To have plans in place for the development of new and existing reserves	Develop a strategy for the management and development of the ex Queen Mary reserve in Hanmer Springs Reserve	A management plan is in place	A management plan is not yet developed due to the delayed vesting of the reserve in the Council which took place in July 2010. A stakeholder group has been established to prepare a draft plan for the Council. The due date for this is April 2011.

## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>District Parks &amp; Reserves</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	0	0	0
Other Income	1,513,083	1,530,000	17,198
Internal Interest Received	26,693	13,962	51,949
Development Contributions	20,939	44,999	(346,415)
<b>Total Operating Revenue</b>	<b>1,560,714</b>	<b>1,588,961</b>	<b>(277,268)</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	26,061	57,160	20,514
Other Direct Expenditure	263,650	272,900	154,585
Council Overheads	158,262	158,262	149,596
<b>Total Operating Expenditure</b>	<b>447,973</b>	<b>488,322</b>	<b>324,695</b>
<b>Operating Surplus (Deficit)</b>	<b>\$1,112,742</b>	<b>\$1,100,639</b>	<b>(\$601,963)</b>
<b>CAPITAL EXPENDITURE</b>			
District Reserves	227,248	585,640	0
<b>Total Capital Expenditure</b>	<b>\$227,248</b>	<b>\$585,640</b>	<b>\$0</b>



## 1.7 GRANTS & SERVICES AWARDS

**Goal:** To encourage individuals to realise their potential and to reward voluntary work that benefits the community and/or the natural environment

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To reward and recognise outstanding contribution and initiatives from individuals and community members	Advertise and promote the availability of grants and awards	Grants are awarded in all categories:	
		Secondary Education School Achievers	There were 23 Applications for the Secondary School Achievers Awards this year – the highest number recorded for years. 6 applicants have been selected to receive an award totalling \$10,000. These awards have been presented.
		Community Service	Seven community service awards were made for the year ended June 2010. The awards were presented at a Council ceremony on 29 July 2010.
		MainPower Hurunui Natural Environment Fund	This fund was distributed among 7 successful applicants in June 2010. The annual fund of \$10,000 was exceeded this year as \$4,000 unspent funds from a previous year, was added to this year's amount. Therefore, a total of \$14,000 was awarded. The funds were awarded to the applicants at a Council ceremony on 24 June 2010.
	Hurunui Heritage Fund	There were 4 successful applicants for this fund (totalling \$5,000). The funds were awarded to the applicants at a Council ceremony on 24 June 2010.	
	Advertise and promote the availability of funding on behalf of Sport and Recreation New Zealand (SPARC) and Creative New Zealand	All funding is awarded to applicants	Most of the funding was allocated during the year. The Creative Communities funding was not all spent and \$1,919 was carried over into the next year to be allocated before 30 September 2010.

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Grants &amp; Services Awards</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	94,844	94,193	86,938
Other Income	20,786	20,000	21,002
<b>Total Operating Revenue</b>	<b>115,631</b>	<b>114,193</b>	<b>107,940</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	129	1,469	41
Other Direct Expenditure	90,506	93,148	89,114
Council Overheads	19,576	19,576	19,078
<b>Total Operating Expenditure</b>	<b>110,211</b>	<b>114,193</b>	<b>108,233</b>
<b>Operating Surplus (Deficit)</b>	<b>\$5,420</b>	<b>\$0</b>	<b>(\$293)</b>
<b>CAPITAL EXPENDITURE</b>			
Grants & Service Awards	0	0	0
<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## (2) GROWTH & DEVELOPMENT

### Activities included:

- 2.1 Tourism
- 2.2 Visitor Information Centre
- 2.3 Economic Development

### Achievement of Levels of Service:

Refer to the performance measures and end of year result.

### Significant acquisitions or replacement of assets

There were no significant acquisitions or replacement of assets during the year.

### Significant variations between actual costs and the 2009/2010 projections from the LTCCP:

Total revenue was \$360,844 lower than the budget for the year. Funds derived from the targeted tourism rate were \$29,183 lower than the level budgeted for. This may have been the result of the Council making the exemption process easier than in previous years. The effects of the recession in the retail area had meant that gross income from the Visitor Information Centre was \$255,528 lower than budgeted for.

Total Operating Expenditure was down on budget by \$236,246. Operating Expenditure for the Visitor Information Centre was \$189,808 down on budget for the year, which complemented the downwards trend in income. The change in the structure of the Tourism Activity had resulted in \$44,951 less being spent than was budgeted for.

Capital Expenditure ended the year \$2,462 behind budget with the key purchase being signage.

### Community Outcomes to which this group of activities primarily contribute

Community Outcome	Reported on Page #
A Thriving Local Economy	44

### Financial Detail:

#### **Growth and Development (Summary)**

##### **Operating Statement**

##### **OPERATING REVENUE**

Rates	331,900	360,869	339,549
Other Income	642,125	974,000	781,547
<b>Total Operating Revenue</b>	<b>974,025</b>	<b>1,334,869</b>	<b>1,121,096</b>

##### **OPERATING EXPENDITURE**

Employment Costs	333,500	459,040	412,837
Other Direct Expenditure	691,908	773,931	586,908
Council Overheads	64,198	64,198	85,312
Depreciation	9,017	37,700	7,465
<b>Total Operating Expenditure</b>	<b>1,098,623</b>	<b>1,334,869</b>	<b>1,092,522</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$124,598)</b>	<b>\$0</b>	<b>\$28,574</b>

##### **CAPITAL EXPENDITURE**

Tourism	0	0	0
Visitor Information Centre	5,262	0	626
Economic Development	7,276	15,000	0
<b>Total Capital Expenditure</b>	<b>\$12,538</b>	<b>\$15,000</b>	<b>\$626</b>

## 2.1 TOURISM

**Goal:** To have a profitable visitor industry that is aligned to our community's social, cultural and environmental needs - 'Hurunui Wellness'.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To grow visitor numbers to the Hurunui District	Carry out destination marketing and destination management to promote and attract visitors to the District. Establish and maintain relationships with tourism operators and clients. Assess needs and plan for future demands.	Number of visitors to the district who stay overnight will be maintained at or grow above 320,000 (this figure is set as desired outcome but consideration should be given to the current global recession).	Hurunui overnight guest arrivals have decreased to 188,720 for the year end April 2010, compared to 196,034 for the year end April 2009, a decrease of 7314 overnight arrivals.  Percentage growth has decreased to -3.7% for the year to April 2010 from -0.4% for the year to April 2009.  National figures for guest arrivals saw an increase to 2% growth for the year to April 2010 from -4.6% for the year to April 2009.
To increase the number of overnight visitors to the Hurunui District		The growth in the number of overnight guests to the Hurunui District at least matches the average for NZ (For the Year Ending September 2008, the NZ rate of growth was -0.4% compared to 1.1% in the Hurunui).	Hurunui commercial guest nights totalled 295,127 for the year to April 2010, and were down from 308,723 for the year to April 2009.  Percentage growth in Hurunui commercial guest nights was -4.4% for the year to April 2010 compared with -0.6% for the year to April 2009.  Nationally, commercial guest nights to April 2010 were 1.7% for the year, which is up from -3.1% for the year to April 2009.

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Tourism</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	255,817	285,000	274,546
Other Income	22,568	94,000	80,941
<b>Total Operating Revenue</b>	<b>278,385</b>	<b>379,000</b>	<b>355,487</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	47,605	165,000	146,083
Other Direct Expenditure	276,444	204,000	143,346
Council Overheads	10,000	10,000	41,517
<b>Total Operating Expenditure</b>	<b>334,049</b>	<b>379,000</b>	<b>330,946</b>
<b>Operating Surplus (Deficit)</b>	<b>(55,664)</b>	<b>0</b>	<b>24,541</b>
<b>CAPITAL EXPENDITURE</b>			
Tourism	0	0	0
<b>Total Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 2.2 VISITOR INFORMATION CENTRE

**Goal:** To promote the highest quality of visitor information services to local communities, visitors, the wider tourism industry and consumers as they make their travel decisions

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Provide visitors and tourists with excellent customers service and information	Offer assistance with itinerary planning as well as providing information and arranging bookings for accommodation, travel, tours, sightseeing and attractions	Bookings for accommodation and services will increase by 5%	Bookings are down 3% on last year due to reduced consumer spending and increased competition in the tourism booking industry.
	Undertake customers satisfaction surveys	85% of customers are satisfied with the service and information they receive:	Customer satisfaction was not measured in 2009/10. Presently in discussion with a research company as to how we conduct this research.
Manage the centre so that it is not a financial cost to the ratepayer	Ensure that the range and diversity of retail products offered for sale is optimised for generating profits	Generate an annual surpluses of \$21,000	Due to a downturn in retail sales, the Visitor Information Centre recorded a deficit of \$44,527.

### Financial Detail:

	<b>2009/2010 Actual</b>	<b>2009/2010 Budget</b>	<b>2008/2009 Actual</b>
<b><u>Visitor Information Centre</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	(21,253)	(21,192)	(31,986)
Other Income	619,472	875,000	699,579
<b>Total Operating Revenue</b>	<b>598,220</b>	<b>853,808</b>	<b>667,593</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	285,895	294,040	266,754
Other Direct Expenditure	318,291	473,881	364,096
Council Overheads	51,187	51,187	40,576
Depreciation	8,627	34,700	7,465
<b>Total Operating Expenditure</b>	<b>664,000</b>	<b>853,808</b>	<b>678,891</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$65,780)</b>	<b>\$0</b>	<b>(\$11,298)</b>
<b>CAPITAL EXPENDITURE</b>			
Visitor Information Centre	5,262	0	626
<b>Total Capital Expenditure</b>	<b>\$5,262</b>	<b>\$0</b>	<b>\$626</b>

## 2.3 ECONOMIC DEVELOPMENT

**Goal:** To attract investment and new businesses which are aligned to and compatible with the principles of 'Hurunui Wellness' to improve the local economy and the wellbeing of the community.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To attract new businesses, visitors and people to the Hurunui District.	Strengthen the capabilities of businesses to assist them to be sustainable.	The number of new businesses in the Hurunui is not less than the national growth.	Hurunui business Geographic Units* grew from 2,468 in the 2008 calendar year to 2,522 in the 2009 calendar year. This is an increase of 30 businesses or 2.2% compared to a national increase of 0.3%.
		The number of visitors to the Hurunui who stay overnight will not be less than 300,000 (these figures are set lower than last year in order to take into account the current recession).	Guest nights for the year end April 2010 was 295,127.
To have high employment growth in the Hurunui District.	Encourage employment opportunities for people in the district.	The total number of employees in the Hurunui District is no less than the national average.	Employees in the Hurunui District rose slightly from 4,070 in the 2008 calendar year to 4,100 in the 2009 calendar year. This is an increase of 30 or 0.7% for the Hurunui District compared to a national decrease of -2.7% (from 1,972,310 in 2008 to 1,919,290 in 2009).

\* Statistics NZ criteria go beyond simple "GST registration" in that they only include businesses with GST turnover greater than \$30,000 per year. Data is given on "Geographic Units", which are defined as a separate operating units engaged in one, or predominately one, kind of economic activity from a single physical location or base.

\*\* Statistics NZ business demographic outputs in this category are updated annually in February of each year.

### Financial Detail:

#### **Economic Development**

##### **Operating Statement**

##### **OPERATING REVENUE**

Rates	97,336	97,061	96,989
Other Income	84	5,000	1,027

##### **Total Operating Revenue**

<b>97,420</b>	<b>102,061</b>	<b>98,016</b>
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##### **OPERATING EXPENDITURE**

Other Direct Expenditure	97,173	96,050	79,466
Council Overheads	3,011	3,011	3,219
Depreciation	390	3,000	0

##### **Total Operating Expenditure**

<b>100,574</b>	<b>102,061</b>	<b>82,685</b>
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##### **Operating Surplus (Deficit)**

<b>(\$3,154)</b>	<b>\$0</b>	<b>\$15,331</b>
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##### **CAPITAL EXPENDITURE**

Economic Development	7,276	15,000	0
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##### **Total Capital Expenditure**

<b>\$7,276</b>	<b>\$15,000</b>	<b>\$0</b>
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### (3) ENVIRONMENT AND SAFETY

#### Activities included:

- 3.1 Resource Management / Planning
- 3.2 Civil Defence
- 3.3 Rural Fire
- 3.4 Building Compliance
- 3.5 Public Health and Liquor Licensing
- 3.6 Animal Control

#### Achievement of Levels of Service:

Refer to the performance measures and end of year result.

#### Significant acquisitions or replacement of assets

Vehicles, particularly relating to Rural Fire, were purchased during the year.

#### Significant variances between actual income and costs and the 2009/2010 projections from the LTCCP

Total revenue was \$187,916 lower than the budget for the year. As a result of the recession, income from Resource Consents processing, Subdivision Inspections, Building Consents and Private Plan Changes are all significant lower than the level budgeted for.

Total Operating Expenditure was up on budget by \$319,312. The key variance was in Resource Management & Planning where the Council incurred external costs relating to the Mainpower appeal, the Water Conservation Order, Plan Change 13 and Frost Fans, all of which were not budgeted for.

Capital Expenditure ended the year \$106,374 ahead of the budget. The key purchase of a new Rural Fire Tanker for the Amuri area was budgeted for in previous years and purchased during 2009/2010.

#### Community Outcomes to which this group of activities primarily contribute

Community Outcome	Reported on Page #
Environmental Responsibility	68
A Healthy, Safe Place to Live	29

#### Financial Detail:

### **Environment and Safety (Summary)**

#### **Operating Statement**

##### **OPERATING REVENUE**

Rates	1,160,655	1,157,575	1,131,404
Other Income	1,038,137	1,231,728	1,379,697
Internal Interest Received	4,979	2,384	13,193

##### **Total Operating Revenue**

**2,203,771**

**2,391,687**

**2,524,294**

##### **OPERATING EXPENDITURE**

Employment Costs	1,103,001	1,076,732	1,098,388
Other Direct Expenditure	925,180	606,124	1,292,671
Internal Interest Paid	3,147	0	0
Council Overheads	665,143	665,143	634,032
Depreciation	51,305	80,465	12,237

##### **Total Operating Expenditure**

**2,747,776**

**2,428,464**

**3,037,328**

##### **Operating Surplus (Deficit)**

**(\$544,005)**

**(\$36,777)**

**(\$513,034)**

##### **CAPITAL EXPENDITURE**

Resource Management & Planning	0	0	32,379
Civil Defence	24,265	12,000	36,745
Rural Fire	148,609	22,500	2,630
Building Compliance	0	32,000	64,970
Public Health & Liquor Licensing	0	0	20,592

##### **Total Capital Expenditure**

**\$172,874**

**\$66,500**

**\$157,316**

## 3.1 RESOURCE MANAGEMENT / PLANNING

**Goal:** To promote the sustainable management of the District's natural and physical resources

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Have a current District Plan in place	Undertake a review of the District Plan annually to consider appropriateness of current management and policy direction	3 sections of the District Plan are reviewed per annum	The Council has had two workshops to discuss the approach it wants to take to the review of the District Plan . The second generation District Plan is proposed to be notified for public submission late in 2013. In addition to this work the Council has embarked on a major a review of rural subdivision, in the coastal management zone and urban subdivision. The Council has or is currently consulting on these issues with its community. The outcomes of this work will feed into the District Plan review process. All of these reviews contribute to meeting the target, but it has not been met yet.
Manage a biodiversity strategy for the District	Undertake initiatives identified in the biodiversity strategy	An inventory of potential biodiversity projects is established	The new biodiversity officer is working to an agreed programme and is currently identifying a range of community projects which the Council might support.
		Written resources are available for landowners, organisations and voluntary groups on biodiversity	A website has been developed and resources are being made available through Council service centres.
Manage applications for services and town planning effectively	Complete an urban zoning review for Cheviot Township and its surrounds	The plan change process is complete	This review and plan change is complete.
	To decide on all resource consent applications within statutory timeframes	All resource consent applications are decided within the statutory timeframes	133 non - notified resource consents were processed over the period. 7 were extended under section 37 with 100% processed within the statutory time frame.  6 notified consents were processed over the period, 1 was outside the timeframe and 3 were extended under section 37 with 83% processed within the statutory time frame.
	Monitor terms of consents issued to those operating land use consents to ensure they comply	40% of land use consents are checked for compliance with the terms of the consent*	140 land use consents required monitoring over the period. 62 consents were monitored which equates to 44%.
	Process Project Information Memorandum's (PIM's) in a timely manner	All PIM's have planning checks completed within 8 working days of a complete application being received	309 planning checks on PIM's were completed over the period. 294 planning checks were processed within 8 working days after being received. 15 planning checks were processed outside the timeframe.

Minimise the rate of environmental damage between the Waipara Rocks and Ashworths Beach	Work with ECan to implement the Northern Pegasus Bay Coastal Management Plan.	Rangers are in place to safeguard the beach areas	Funding has been set aside for beach patrols in the 2010/11 year. These will be put into full effect once bylaws have been adopted by the Council.
		Educational material is available	Informal ranging being carried out by Environment Canterbury. Signage and promotion material have been published, confirming adoption of the Bylaw and rules relating to access from adoption.
	Provide initiatives to restrict vehicle access to these beach areas	Review the effectiveness of the Northern Pegasus Bay Coastal Management Plan	Bylaw controlling access adopted by Council in March 2010 and work is in progress to place barriers to control access to the beach areas. Arrangements are in place with ECan and Waimakariri District Council to patrol these areas in late 2010. An operating group has been formed to implement the outcomes of the Northern Pegasus Bay Coastal Management Plan strategy and their group will review the effectiveness of the strategy at the end of June 2011.

\*Excluding set back and Hanmer Springs design standard consents that have been given effect to. Once monitoring levels have increased and we have a better idea of actual compliance levels, we took to change the targets for this measure to address these compliance levels.

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Resource Management &amp; Planning</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	640,668	641,282	677,983
Other Income	295,490	454,750	571,536
<b>Total Operating Revenue</b>	<b>936,158</b>	<b>1,096,032</b>	<b>1,249,519</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	563,978	565,197	541,043
Other Direct Expenditure	506,660	202,275	604,107
Council Overheads	318,210	318,210	303,340
Depreciation	11,446	10,350	0
<b>Total Operating Expenditure</b>	<b>1,400,294</b>	<b>1,096,032</b>	<b>1,448,490</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$464,136)</b>	<b>\$0</b>	<b>(\$198,971)</b>
<b>CAPITAL EXPENDITURE</b>			
RMA Implementation	0	0	0
RMA Admin/Compliance	0	0	32,379
Subdivision Inspections	0	0	0
RMA Policy Development	0	0	0
<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$32,379</b>



## 3.2 CIVIL DEFENCE

**Goal:** To be prepared for and have the ability to respond to and recover from any Civil Defence emergency

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To be prepared for emergency situations which have widespread implications for the District	Have relevant and current plans and standard operating procedures (SOPs) in place	Plans and SOPs are reviewed annually	All plans and SOPs have been reviewed:  The District Fire Plan was modified and formally adopted by the Works and Services Committee in December 2009.  The Hanmer Springs Fire and Evacuation Plan was reviewed and modified in November 2009 and confirmation of acceptance by stakeholders is pending.
	Ensure there are sufficient civil defence sector posts throughout the District	New Sector posts to be established in Leithfield & Waipara	Recruitment for the Amberley Sector Post that serves both of these areas continues to grow slowly.
	Educate the public how to prepare themselves for a civil defence type emergency	At least one public promotion is undertaken annually	A new public education 'Get Ready Get Thru' booklet that covers a wide range of emergencies and provides a wide range of individual, household, business and community self-help tools was released in August 2009.
	Train staff and volunteers to meet their CDEM responsibilities	Staff training is delivered at least twice per year to EOC staff	Controller training was conducted in November 2009 and April 2010. A training session was held for Council staff in April 2010. The staff showed good awareness of their roles and functions. A training programme will be developed, leading up to the regional exercise in October 2010, to maximise the potential learning outcomes for all involved.
		40% of Sector Post (volunteer) staff participate in training annually	Training was held for Amberley and Hanmer Springs CDEM teams in October and November, and a meeting of all CDEM community team leaders (wardens) was held in October 2009. The percentage of volunteers who attended training was not recorded.
		The EOC participates in the Canterbury regional Exercise Pandora annually	Achieved successfully and with positive results.

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Civil Defence</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	150,070	149,647	118,188
Other Income	13,623	2,300	8,514
<b>Total Operating Revenue</b>	<b>163,693</b>	<b>151,947</b>	<b>126,702</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	58,262	50,080	64,478
Other Direct Expenditure	30,106	41,830	79,269
Council Overheads	45,547	45,547	43,599
Depreciation	16,775	14,490	3,854
<b>Total Operating Expenditure</b>	<b>150,690</b>	<b>151,947</b>	<b>191,200</b>
<b>Operating Surplus (Deficit)</b>	<b>\$13,003</b>	<b>\$0</b>	<b>(\$64,498)</b>
<b>CAPITAL EXPENDITURE</b>			
Civil Defence	24,265	12,000	36,745
<b>Total Capital Expenditure</b>	<b>\$24,265</b>	<b>\$12,000</b>	<b>\$36,745</b>

### 3.3 RURAL FIRE

**Goal:** To safeguard life and property from fire in forest and rural areas and other areas of vegetation

**Performance Measures:**

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To respond to rural fires in time to prevent loss of life and property	Train, equip and prepare volunteer rural fire force teams to extinguish fires and save life and property from fire risk	Train 50% of each volunteer rural fire force teams per year	Each of the VRFF teams has conducted its own training session in this period. Most have gained their minimum competencies to meet H&S requirements.
		Motunau Fire Depot is renovated	The Motunau Beach Fire depot and Civil Defence post was extended and the existing building renovated to provide improved facilities for volunteers. The work was completed in April 2010.
		New pump for Hawarden Waikari team	Tanker commissioned and in use. Minor ongoing work required, most of a routine nature.
	Recruit volunteers for Council Volunteer Rural Fire Force teams	Each rural fire team will be at least 80% full strength (i.e. enough members for an uncompromised level of response).	The Council's policy is for a minimum of 6 members per crew. Current VRFF numbers are: <ul style="list-style-type: none"> <li>• Hawarden-Waikari VRFF – 18</li> <li>• Amuri-Waiau – 14</li> <li>• Scargill – 12</li> <li>• Motunau Beach – 10</li> <li>• Conway Flat – 7</li> </ul>
Educate the public of fire risks and mitigation strategies	Provide up to date information to the public through media, website and fire signage	The number of fires in the district decreases annually by 5%	This has been achieved. Roadside fire signage remains current, repairs have been undertaken in this quarter and public education messages delivered regionally on a shared-cost basis have been promulgated in news print and via web site. A new website is live. The Rural Fire pages have been reviewed and revised. The numbers of fires has decreased by 50%. There were 47 in 08/09 and in 09/10 there were 24.

**Financial Detail:**

**Rural Fire**

**Operating Statement**

**OPERATING REVENUE**

Rates	220,052	218,666	216,474
Other Income	20,798	43,278	155,066

**Total Operating Revenue** **240,850** **261,944** **380,299**

**OPERATING EXPENDITURE**

Employment Costs	54,591	41,173	41,819
Other Direct Expenditure	165,239	140,805	285,506
Internal Interest Paid	3,147	0	0
Council Overheads	45,591	45,591	43,963
Depreciation	6,792	34,375	8,383

**Total Operating Expenditure** **275,360** **261,944** **379,671**

**Operating Surplus (Deficit)** **(\$34,509)** **\$0** **\$628**

**CAPITAL EXPENDITURE**

Rural Fire	148,609	22,500	2,630
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**Total Capital Expenditure** **\$148,609** **\$22,500** **\$2,630**

## 3.4 BUILDING COMPLIANCE

**Goal:** To ensure buildings and structures are safe and not harmful to the public.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Ensure buildings and swimming pools are safe for the public and fit for purpose	Process and decide on building consent applications within statutory timeframes	100% of all building consent applications are decided within 20 working days	404 building consents have been processed with 3 consents exceeding the statutory time frame. An average of 99.26% within statutory timeframe.  398 code compliance certificates have been issued with 18 applications exceeding the statutory time frame. An average of 95.4% compliance was obtained.  20 certificates of acceptance have been issued.
	Make sure that all public buildings have a current Building Warrant of Fitness	No less than 30% of all registered public buildings with a compliance schedule are inspected each year	A list of Registered public buildings with compliance schedules has been inspected for compliance during the annual audit in the months of December/January: Being 34% of all buildings with a compliance schedule therefore, exceeding the target.
	Make sure that all registered private swimming pools comply with the Fencing of Swimming Pools Act	No less than a third of all registered private swimming pools are inspected each year	The pool register is currently showing a total of 374 pools in the district, this figure includes 19 pools that have since been removed. In 2009 96 pools were audited. This does not quite meet our target of 118 pools, based on there being 355 pools. No audit has been completed for the 2010 calendar year as yet. At the time of auditing, there was no record process in place to determine how many pools were current, the list was an estimate only. Reports are now available. There are 343 pools and 96 have been inspected, just under the target at 28%.
		The percentage of audited swimming pools that are non-compliant upon first inspection decreases by 5% each year	Audit has been undertaken, 95% of pools inspected comply. Last year 75% of pools were compliant on first inspection.
	Council will maintain its Building Consent Authority accreditation	All Council building inspections staff are trained to building accreditation standards	All building staff have been trained to the necessary accreditation standard. An ongoing training programme is in place for staff to ensure competencies are maintained.
		Biannual International Accreditation New Zealand audit reports are favourable	The second Audit report was released in late 2009 and concluded with 9 recommendations and 12 corrective actions going forward. The 3rd Audit report is not due until October 2011.

## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Building Compliance</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	14,571	13,067	16,047
Other Income	465,038	513,600	437,400
<b>Total Operating Revenue</b>	<b>479,608</b>	<b>526,667</b>	<b>453,447</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	306,421	288,095	342,609
Other Direct Expenditure	90,359	72,874	185,324
Council Overheads	165,848	165,848	157,557
Depreciation	12,174	15,850	0
<b>Total Operating Expenditure</b>	<b>574,803</b>	<b>542,667</b>	<b>685,490</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$95,194)</b>	<b>(\$16,000)</b>	<b>(\$232,043)</b>
<b>CAPITAL EXPENDITURE</b>			
Building Services Consents	0	32,000	64,970
<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$32,000</b>	<b>\$64,970</b>

## 3.5 PUBLIC HEALTH AND LIQUOR LICENSING

**Goal:** To improve, promote, and protect public health.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Encourage compliance so that all food, liquor and other licensed premises comply with the relevant legislation	Undertake inspections on licensed premises	All licensed premises are inspected at least annually	<p>During 2009/10 there are 141 registered food premises in the district of which 61 also hold liquor licences. As at 30 June 2010 all premises have been inspected/contacted for the 2009/10 financial year. Due to premise closures the number of food premises has dropped to 133 at 30/6/10.</p> <p>Sixteen premises have also been re-inspected during this period due to non-compliance issues found, change of ownership, joint food/liquor licensing or attendance at markets or multiple events.</p>
		Investigate complaints about poor food handling and unsanitary conditions in any food premise within 3 working days	One complaint of poor food safety practice was investigated and found to be substantiated; operators have put in place measures to ensure this is not repeated. The complaint was investigated on the day the complaint was received.
	Promote the New Zealand Food Safety Authority's Voluntary Implementation Programme (VIP) to all licensed food premises during the annual inspection	There are 5 eligible food premises that are involved in the VIP per annum	<p>Ten premises have registered Food Control Plans (FCPs). Nine FCPs are approved and one of these has also been audited. Twenty six premises attended FCP workshops in May 2010 with more registrations expected over coming months. Three applications for FCPs for stallholders selling red meat at markets have been received.</p> <p>All food premises visited are being provided with FCP information, i.e. either a full FCP or a modified booklet providing the basic elements that are applicable to all food operators.</p> <p>Participation in Canterbury/South Canterbury VIP Cluster Group meetings held approximately 3 times per year. All Cluster meetings: have been attended ( since 29/4/09).</p> <p>Environmental Health Officer is a designated Food Act Officer, by NZ Food Safety Authority, and has attained the NZQA unit standards to enable auditing of FCPs.</p>
Work with other partners on liquor to reduce the negative impact of alcohol abuse	Regular liaison meetings are held between representatives of the District Licensing Agency, Police and Community and Public Health (CPH)	Quarterly meetings are held	<p>Tri-Agency meeting held 9/9/09, 1/10/09, 18/11/09, 17/3/10 and 23/6/10. The Tri-Agency group held a meeting with licensees and ran two refresher training sessions for licensees, managers and bar staff. These were held in Amberley and Hanmer Springs.</p> <p>Tri-Agency, or DLA and Police, briefing and debriefing meetings have been held with concert management, and a Tri-Agency debrief with organisers of the Waipara Wine and Food Festival</p> <p>On 30/6/10 the Tri-Agency Group also successfully promoted to licensees the adoption of a Liquor Accord for Hanmer.</p> <p>In February 2010 a successful case was taken to the Liquor Licensing Authority involving input from each of the Tri-Agency parties.</p>

## Financial Detail:

	<b>2009/2010 Actual</b>	<b>2009/2010 Budget</b>	<b>2008/2009 Actual</b>
<b><u>Public Health &amp; Liquor Licensing</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	100,806	100,523	72,979
Other Income	102,084	96,500	86,617
<b>Total Operating Revenue</b>	<b>202,890</b>	<b>197,023</b>	<b>159,596</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	108,061	107,496	96,249
Other Direct Expenditure	29,892	33,390	41,088
Council Overheads	50,737	50,737	48,630
Depreciation	4,118	5,400	0
<b>Total Operating Expenditure</b>	<b>192,809</b>	<b>197,023</b>	<b>185,967</b>
<b>Operating Surplus (Deficit)</b>	<b>\$10,081</b>	<b>\$0</b>	<b>(\$26,371)</b>
<b>CAPITAL EXPENDITURE</b>			
Health Inspection	0	0	20,592
Liquor Licensing	0	0	0
<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,592</b>

## 3.6 ANIMAL CONTROL

**Goal:** To protect people and animals through the proper care and control of dogs and stock.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Ensure that dogs and other animals do not cause a nuisance or hazard	Investigate and respond to all complaints of dangerous animal behaviour or wandering animals and stock	There is no significant increase in the overall number of complaints or in any particular category of dog control complaints.	The number of complaints for most categories reduced in 2010 compared to 2009. Complaints about aggressive dogs reduced to 25 from 35; stock worrying 11 (from 59 in 2009); barking 50 (from 79); welfare concerns 5 (from 82). However, other complaints increased; lost and found animals 117 (From 8 in 2009); roaming animals 90 (from 82) and impounded dogs for non regulation 25 (from 0).
Encourage voluntary dog registration and increase owner responsibility	Administer dog registrations and take compliance action where necessary.	All dogs the Council has a record of are registered in accordance with the Dog Control Act 1996	As at 11 June 2010 (new registration period ) 5126 dogs, 2090 owners were on the register. Unregistered dogs - 12 added for new registration year, 5 outstanding from 2009/10 year. Unregistered dogs continue to be found through complaints, lost and found calls. The processes of seize and impound or the issuing of infringement notices is followed through as required.

### **Animal Control**

#### **Operating Statement**

##### **OPERATING REVENUE**

Rates	34,488	34,390	29,733
Other Income	141,105	121,300	120,564
Internal Interest Received	4,979	2,384	4,434
<b>Total Operating Revenue</b>	<b>180,572</b>	<b>158,074</b>	<b>154,731</b>

##### **OPERATING EXPENDITURE**

Employment Costs	11,687	24,691	12,190
Other Direct Expenditure	102,924	114,950	97,377
Council Overheads	39,210	39,210	36,943
<b>Total Operating Expenditure</b>	<b>153,821</b>	<b>178,851</b>	<b>146,510</b>
<b>Operating Surplus (Deficit)</b>	<b>\$26,751</b>	<b>(\$20,777)</b>	<b>\$8,221</b>

##### **CAPITAL EXPENDITURE**

Ranging & Impounding	0	0	0
Animal Control	0	0	0
<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## (4) UTILITY SERVICES / INFRASTRUCTURE

### Activities included:

- 4.1 *Roading Network*
- 4.2 *Waste Minimisation*
- 4.3 *Sewerage*
- 4.4 *Stormwater / Drainage*
- 4.5 *Water Supplies*

### Achievement of Levels of Service:

Refer to the performance measures and end of year result.

### Significant acquisitions or replacement of assets

Under the Roothing Network, a total of \$3,742,035 was spent on Roothing Capital during the year. In Solid Waste, work was carried out to complete the Hanmer Springs Transfer Station of \$115,175 and \$31,133 was spent on preliminary work identifying the appropriate site for the Amberley Transfer Station. In the Sewer activity, a total of \$948,098 was spent on the Amberley Sewerage System, primarily on the new ponds. A further \$43,413 was spent on the Cheviot Sewer System and \$73,541 was spent on the Hanmer Springs Sewer System. Under Stormwater, a total of \$404,218 was spent on the Leithfield Outfall Drain and \$354,860 was spent as part of the Amberley Stormwater project, with further costs being carried forwarded into the 2010/2011 year. The key capital expenditure items for the Water supplies were: \$308,756 spent on the Amberley Supply; \$279,659 on the Ashley Rural Supply; \$207,116 on the Cheviot Supply; \$131,299 on the Hanmer Springs Supply and \$173,949 on the Hurunui Rural Supply.

### Significant variances between actual income and costs and the 2009/2010 projections form the LTCCP

Total revenue was \$248,431 greater than the budget for the year. Roothing Subsidies were lower than budgeted due to the change in funding from the NZTA. Income for the Water Supplies was greater than budget due to the higher level of connection fees received, particularly for the Ashley Rural Supply, and also the receipt of \$65,213 in subsidies for the Hanmer Springs Water Supplies, which had been budgeted to be received in previous years.

Total Operating Expenditure was down on budget by \$488,251. Employment Costs were \$96,014 greater than budgeted for, particularly in Sewerage and Water Supplies as a greater amount of employees time could be allocated to individual cost centres. Council Overheads were lower than budget by \$213,481 due to allocating a portion of the Roothing Business Unit Costs to Capital Expenditure. The amount expensed as Depreciation was down by \$365,741 on the level that was budgeted for in the LTCCP.

Capital Expenditure ended the year \$50,551 lower than the level budgeted for in the LTCCP. Roothing Capital was \$599,885 lower than the amount budgeted for. \$287,000 of the variance was relating to vested assets and the balance is attributable to the change in the funding levels that was made after the budget was confirmed. Work occurred in identifying land for the relocation of the Amberley Transfer Station, the funding of the project being carried forward from previous years. Work was carried out on the Amberley Sewerage System, which had been budgeted for in previous years. Work that had been deferred from previous years was carried out on some of the water supplies, with further work to be completed, particularly in Amberley, in the 2010/2011 year. The key purchase of a new Rural Fire Tanker for the Amuri area was budgeted for in previous years and purchased during 2009/2010.

### Community Outcomes to which this group of activities primarily contribute

Community Outcome	Reported on Page #
Essential Infrastructure	55
Environmental Responsibility	68

### Financial Detail:



	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Utility Services and Infrastructure (Summary)</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	8,385,034	8,182,182	7,846,563
Other Income	3,910,352	3,828,304	11,501,177
Internal Interest Received	671,625	657,646	31,935
Vested Assets	562,380	410,000	0
Development Contributions	298,484	287,807	53,710
Council Overheads (Income)	333,347	546,851	536,674
<b>Total Operating Revenue</b>	<b>14,161,221</b>	<b>13,912,790</b>	<b>19,970,059</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	1,041,468	945,454	1,105,514
Other Direct Expenditure	5,898,593	5,898,896	14,201,226
Internal Interest Paid	475,252	479,993	451,426
Council Overheads	1,622,949	1,836,430	1,770,337
Depreciation	3,946,458	4,312,199	4,515,061
<b>Total Operating Expenditure</b>	<b>12,984,721</b>	<b>13,472,972</b>	<b>22,043,564</b>
<b>Operating Surplus (Deficit)</b>	<b>\$1,176,500</b>	<b>\$439,818</b>	<b>(\$2,073,505)</b>
<b>CAPITAL EXPENDITURE</b>			
Roading Network	3,742,035	4,341,920	3,055,450
Solid Waste	146,308	0	142,982
Sewerage	1,094,572	146,634	437,744
Stormwater/Drainage/Land Protection	762,462	1,270,000	68,141
Water Supplies	1,214,330	1,251,703	1,594,993
<b>Total Capital Expenditure</b>	<b>\$6,959,706</b>	<b>\$7,010,257</b>	<b>\$5,299,310</b>

## 4.1 ROADING NETWORK

**Goal:** To provide a transport network that is safe and accessible for all people throughout the District.

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Maintain the District's roads to a standard appropriate to their use and traffic volume	Asses roads and bridges, plan for their maintenance and upgrade, and contract out the work and monitor performance accordingly	Roading (RAMM) survey data for Hurunui roads compares favourably with other rural Councils similar to Hurunui District	<p>The 2008/2009 figures are used here for rough roads, pavement integrity index and surface condition index because the 2009/2010 figures will not be available from New Zealand Transport Agency until December 2010.</p> <p>Smooth travel exposure for Hurunui's roads is 98%, the same as last year. The national average is 85% (a higher value is better).</p> <p>The percentage of "rough" roads in the Hurunui is 3.5% higher than last year. The national average is 9.1% (a lower value is better).</p> <p>The pavement integrity index for Hurunui's sealed roads is, 95.96%. The national average is 93.6% (a higher value is better).</p> <p>The surface condition index for Hurunui is 94.6% compared to the national average of 97.6% (a higher value is better).</p>
		Audits of the roading network undertaken by New Zealand Transport Agency confirm that the roading network is of a satisfactory condition	The last technical audit review of Hurunui's roads was conducted in November 2005. It was concluded that the network "is well maintained and is managed well on a tight budget." The next technical audit review has been set for the third quarter of the 2010-2011 financial year (January to March 2011). The RAMM results above demonstrate that the Council has continued its responsible programme of renewals and maintenance since the last audit.
		40 Kilometres of sealed roads have waterproof sealing applied per year	39.5 kilometres of roads were resealed in the 2009/2010 financial year.
To provide good quality streetlights	Assess streetlights, plan for their maintenance and upgrade, and contract out the work and monitor performance accordingly	Reduce the percentage of sub-standard streetlights by 7%	7.2% of streetlights are currently substandard (2008/2009). This statistic will be reassessed in December 2010 (measured once yearly). A programme for the replacement of the remaining Mercury Vapour lights has been established with MainPower for completion no later than end of January 2011.
To provide good quality kerb and channel in urban areas	Assess kerb and channel stock, plan for its maintenance and upgrade, and contract out the work and monitor performance accordingly	Reduce the percentage of deficiencies in the kerb and channel stock to 5%	The kerb and channel stock presently has 5% of its length with more than 10 deficiencies per 100 metres (2008/2009). This statistic will be reassessed in December 2010 (measured once yearly). This was a new measurement established through the LTCCP 2009-2019 review process, hence no records prior to 2008/2009. The target has been met.

To provide good quality footpaths in all urban areas	Assess footpaths, plan for their maintenance and upgrade, and contract out the work and monitor performance accordingly	The percentage of deficiencies in footpath surfaces does not increase	The footpath stock presently has 0.2% of its length with more than 10 deficiencies per 100 metres (2008/2009). This statistic will be reassessed in December 2010 (measured once yearly). This was a new measurement established through the LTCCP 2009-2019 review process, therefore there are no records prior to 2008/2009.
	To provide at least one smooth footpath in every urban street	The percentage of urban streets without smooth footpaths reduces to 15%	Throughout the District there were 15.6% of urban streets without any smooth footpaths (2008/2009). Several villages (e.g. Leithfield, Leithfield Beach, Amberley Beach, Motunau Beach) have no desire for footpaths that will change their village character. This statistic will be reassessed in December 2010 (measured once yearly). A targeted priority programme has been established with the community Ward Committees for increased smooth footpaths using targeted rates funding.
	Undertake an annual residents satisfaction survey	70% of residents surveyed consider the standard of sealed roads to be satisfactory	74% of residents surveyed consider the standard of sealed roads to be satisfactory.
		50% of residents surveyed consider the standard of unsealed roads to be satisfactory	53% of residents surveyed consider the standard of unsealed roads to be satisfactory.
Increase the amount of sealed roads within the total network	An additional 1 kilometre of unsealed roads are sealed each year	1.15 kilometres of seal extension was completed in the 2009/2010 year.	

Ensure that all bridges are safe and well maintained	Assess bridges, plan for their maintenance and upgrade, and contract out the work and monitor performance accordingly	All bridges are capable of carrying class 1 loads	8 out of 274 Bridges currently have weight restrictions limiting their load carrying capacity to below Class 1. All are on low traffic roads and most have alternative heavy vehicles routes available.
		The bridge structure component replacement priority programme will be implemented	8 bridges have been identified for potential deck replacement in the 2009/2012 structure component replacement programme to prolong their economic lives. The bridges will be designed and released for tender in 2010/2011 under our smart procurement strategy. The physical works contract will be completed over 2010/2012 for all 8 bridges. 1 bridge will be completed in 2010/2011 under our bridge renewal programme (all works were approved by NZTA in April 2010)
		Records are monitored to ensure all bridge structures are regularly inspected for future works maintenance under the road maintenance contracts	The Road Maintenance Contractors have completed the major bridge inspections for all three contract areas (December 2009). These major inspections are undertaken annually and a copy of the inspection report has been placed on each respective contract file. General inspections are undertaken monthly for ongoing minor maintenance identification and programming of forward works.
Do what can be done to reduce injury and fatal crashes on local roads	Support the Hurunui District Road Safety Co-ordinating Committee to promote a positive road safety culture	The number of road crash fatalities and injuries on local roads reduces each year by 5%	<p>Fatal crash reduction for 2010 (to date) on local roads is 0%. Serious crash reduction for 2010 on local roads (to date) is 33%</p> <p>There has been 1 fatal crash in 2010 and 1 fatal crash in 2009 on local district roads. Serious crashes are recorded as 2 in 2010 and 3 in 2009, with 5 recorded in 2008 and 4 in 2007.</p> <p>2004 – 2010 on local roads: 1 fatal crash (not related to road conditions). 2004 – 2010 on local roads: 26 serious crashes.</p>

Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Roading Network</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	2,476,099	2,479,060	2,394,987
Other Income	3,588,197	3,684,358	11,000,033
Internal Interest Received	650,435	650,434	0
Vested Assets	552,051	287,000	0
Development Contributions	0	0	0
Council Overheads (Income)	333,347	546,851	536,674
<b>Total Operating Revenue</b>	<b>7,600,129</b>	<b>7,647,703</b>	<b>13,931,694</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	353,412	340,347	355,349
Other Direct Expenditure	2,601,088	2,684,880	10,704,281
Council Overheads	633,835	847,316	833,475
Depreciation	2,774,729	3,007,338	3,363,468
<b>Total Operating Expenditure</b>	<b>6,363,064</b>	<b>6,879,881</b>	<b>15,256,573</b>
<b>Operating Surplus (Deficit)</b>	<b>\$1,237,064</b>	<b>\$767,822</b>	<b>(\$1,324,879)</b>
<b>CAPITAL EXPENDITURE</b>			
Subsidised Roading	3,608,729	4,102,034	3,032,084
Special Purpose Roading	130,514	6,936	1,654
Unsubsidised Roading	0	195,000	0
Road Safety Programme	0	0	0
Technical Services Business Unit	2,793	37,950	21,712
<b>Total Capital Expenditure</b>	<b>\$3,742,035</b>	<b>\$4,341,920</b>	<b>\$3,055,450</b>

## 4.2 WASTE MINIMISATION

**Goal:** To ensure there are opportunities to maximise recycling and minimise residual waste disposed of to landfill

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
To reduce and process waste and recyclables	Provide a weekly household waste collection service in urban areas	Household waste is collected from residents in urban areas each week	Household waste is collected from all urban properties and some rural addresses once per week. A number of businesses in urban areas also receive a weekly collection of business waste through prior arrangement and payment with the Authority. In Hanmer Springs since the 1st Feb 09 glass has been collected from the kerbside. Since the 1st July 2009, 147 business rates are paid by 109 businesses to receive a collection of waste and recycling through the Councils business collection scheme.
		Recyclable waste is collected from businesses in urban areas each week	This has been in place since 1 July 2009 in all urban towns. At this stage, 109 businesses are paying for this service to be provided.
	Undertake an annual residents satisfaction survey	85% of urban residents (who get rubbish collected) are satisfied with the household collection service	91% of residents surveyed were satisfied with the household collection service.
	Continue to seek efficient and effective ways to manage and reduce waste and recyclables	The 'Solid Waste Management Plan' is reviewed and revised	The review of the Solid Waste Management Plan has not commenced yet. This was not possible within resourcing availability due to other priorities occurring with waste and recycling. This work has been deferred to the 2010/11 year.
		A household waste reduction policy is developed	A household waste reduction policy has not yet been developed due to a lack of capacity as other priorities occurred. This policy has been deferred to the 2010/11 year.
		Targets for waste reduction are developed	Under the contract with Becon, waste reduction targets have been developed for diversion of waste from the 5 transfer stations in the Hurunui District to reduce waste to landfill by a minimum of 50%. Systems for waste segregation (wet and dry) are now in place at Hanmer, Culverden and Waiiau and a second compactor has just been installed at Amberley to enable segregation of waste. Becon ceased trading during August 2010 and alternative arrangements for managing the waste from the transfer stations are being arranged and the services previously covered by Becon have been placed out for tender.
	Operate the Amberley Transfer Station from a suitable location	Identify land for the relocation of the Amberley Transfer Station to operate	The purchase of land to relocate the transfer station has been deliberately deferred until the right location is identified within the budget allocated.
		The Amberley Recycling Depot complies with the resource consent conditions	An inspection was recently undertaken to ensure the consent conditions complied and the site passed the inspection.

To minimise the amount of residual waste that has to go to landfill	Develop incentives to reduce residual waste to landfill	A 'waster pays' pricing mechanism is considered	Any waste that will require disposal at the Kate Valley landfill is charged at levels according to what is brought into the transfer stations. Household recycling is free.
		Residual waste to landfill reduces by 10%	As of 30 June 2010, 44% of all waste (refuse collection, recycling collection, transfer station and litter bin waste) was diverted from landfill.  Residual waste to landfill decreased by 26%. Waste to landfill has reduced significantly with the Council's new combined waste model. In the 12 months since the combined model for waste and recycling began over 1600 tonnes of waste has been recycled from the Hurunui District.
	A public education programme to reduce waste is undertaken	Investigation is underway to explore ways to educate the public commencing with schools through the Waste Minimisation and Management Board.	

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Solid Waste</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	1,725,389	1,710,874	1,456,417
Other Income	117,930	70,000	81,031
<b>Total Operating Revenue</b>	<b>1,843,319</b>	<b>1,780,874</b>	<b>1,537,448</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	72,990	75,479	70,677
Other Direct Expenditure	1,586,418	1,507,741	1,648,924
Internal Interest Paid	9,701	6,109	9,368
Council Overheads	142,532	142,532	141,260
Depreciation	15,544	44,800	13,364
<b>Total Operating Expenditure</b>	<b>1,827,185</b>	<b>1,776,661</b>	<b>1,883,593</b>
<b>Operating Surplus (Deficit)</b>	<b>\$16,135</b>	<b>\$4,213</b>	<b>(\$346,145)</b>
<b>CAPITAL EXPENDITURE</b>			
Transfer Stations	146,308	0	142,982
Litter Bin Collection	0	0	0
Refuse Collection	0	0	0
<b>Total Capital Expenditure</b>	<b>\$146,308</b>	<b>\$0</b>	<b>\$142,982</b>

## 4.3 SEWERAGE

**Goal:** To provide proficient, cost-effective sewage disposal schemes relevant to the needs of the community

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Protect public health through ensuring good sanitary standards are in place	Maintain sewerage disposal and treatment facilities in most urban areas of the district	Sewerage disposal complies with sanitary standards. ECan notices of non-compliance are followed up upon receipt.	The 7 Council sewerage schemes have 12 separate consents authorising discharges and storage of contaminants, with 131 separate conditions (of which 30 are not operational or not monitored). ECan officers inspected and monitored all 7 schemes. 11 ECan notices of major persistent non-compliance were received. 6 notices of minor non-compliances were resolved or are in the process of being resolved.
		All shutdowns and pipe breaks are repaired within 12 hours of notification	Occasional pump failures were corrected (within 2 - 3 hours), but these would have been unnoticed by residents because the underground pipe network has a huge capacity before overflowing. (These corrections were not recorded, but acknowledged). No sewerage pipe shutdowns occurred during the 2010 financial year.
	Review the Assessment for Water and Sanitary Services	Water and Sanitary Services Assessment is reviewed	A review of the water and sanitary assessment has been completed and was presented to the 15th July 2010, Works and Services committee meeting.

### Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Sewerage</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	534,271	465,938	526,494
Other Income	3,336	300	224,914
Internal Interest Received	3,089	2,101	3,850
Vested Assets	0	61,500	0
Development Contributions	45,884	47,424	(5,430)
<b>Total Operating Revenue</b>	<b>586,580</b>	<b>577,263</b>	<b>749,828</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	80,635	35,458	78,881
Other Direct Expenditure	210,809	151,240	171,429
Internal Interest Paid	164,704	148,455	141,073
Council Overheads	106,343	106,343	101,087
Depreciation	316,965	361,783	311,641
<b>Total Operating Expenditure</b>	<b>879,457</b>	<b>803,279</b>	<b>804,111</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$292,877)</b>	<b>(\$226,016)</b>	<b>(\$54,283)</b>
<b>CAPITAL EXPENDITURE</b>			
District Wide Sewerage	0	61,500	0
Amberley	948,098	46,791	374,320
Cheviot	43,413	5,381	3,205
Greta Valley	4,413	1,200	86
Motunau Beach	1,413	10,762	3,454
Hanmer Springs	73,541	16,000	46,158
Hawarden	10,470	5,000	5,709
Waikari	13,223	0	4,812
<b>Total Capital Expenditure</b>	<b>\$1,094,572</b>	<b>\$146,634</b>	<b>\$437,744</b>

## 4.4 STORMWATER / DRAINAGE

Goal: To prevent or minimise adverse effects of surface flooding and stormwater discharge

## Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Minimise the risk of flooding in urban areas	Proceed with application for global consent for stormwater discharges for Amberley Urban Area	An integrated storm management plan is in place for Amberley	The storm management plan for Amberley has not yet been completed due to the extent of the work required. Following the 2008 floods and the extensive work that ensued to investigate and prepare proposals for mitigating future flood risk, the Feb 2008 global consent application had to be modified to include these proposed works and the impacts of climate change which were introduced since the earlier application was lodged. This whole package of work will minimise the risk of flooding in several areas of Amberley and Amberley Beach, and ensure the new developments have no adverse effect on existing drainage systems. The consent application has since been advertised and a hearing date will be notified. The resource consent, and resulting integrated plan will therefore be completed in 2011.
	Upgrade drainage systems that have been identified as being inadequate, in order to ensure that 50 year rainfall events do not cause flooding of houses.	Hanmer Springs stormwater system is upgraded	A global consent application is being prepared for Hanmer Springs, which will specify how developers can deal with stormwater disposal from future developments and also identify any physical works required to deal with existing stormwater disposal. Consultation with affected parties has been completed and several discussions held with Canterbury Regional Council officers, and further work on ecological effects has been requested before a formal application for consent is lodged.  Because the ecological study has to be done in Spring, it is now unlikely that the application will be lodged before December 2010.
		Leithfield Outfall Drain Pipe outfall is constructed	Construction of the outfall was successfully completed and results have been excellent, with improved drainage from the Leithfield Beach settlement being reported. Since the construction of the pipe, the outfall has not required to be mechanically opened, ensuring free and continuous flow from the outfall to the sea.
		New cut off drains north of Amberley have been constructed	The resource consent application for the cut off drains are part of the same global consent for the Amberley integrated stormwater management plan. Construction is dependent on resource consent. The drains will not be constructed until 2011. When completed the cut-off drains will restrict the amount of water that can flow in the Eastern Drain.
		New drains for the Eastern Drain and Dry Gully, direct to the lagoons at Amberley Beach have been constructed	The construction of the new drains for the Eastern Drain and Dry Gully have been delayed whilst waiting for the resource consent process as stated above and completion is now due in 2011. These drains will provide a more direct and faster outlet to the sea and reduce the risk of surface flooding on land at Amberley Beach.
		Dock Creek Flood diversion down Lawcocks Road, Amberley has been constructed	Construction of the pipe diversion was successfully completed and the system was put to the test in a severe rainfall event on 24th June. The diversion maintained Dock Creek at a level 300mm below the lowest house flow level and reassured property owners affected by the 2008 floods that their houses would be most unlikely to be flooded from Dock Creek again, because high flows will be automatically diverted into the Kowai River.
Maintain drainage systems in accordance with resource consents	Assess, grant and monitor each drainage systems resource consent	All drainage systems comply with resource consents	All consents were operated within the specified conditions and no noncompliance was identified by regional council monitoring officers.



## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Stormwater, Drainage &amp; Land Protection</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Rates	135,818	117,267	66,731
Other Income	0	0	1,907
Internal Interest Received	2,772	1,085	7,639
Development Contributions	22,738	25,532	(25,942)
<b>Total Operating Revenue</b>	<b>161,327</b>	<b>143,884</b>	<b>50,335</b>
<b>OPERATING EXPENDITURE</b>			
Other Direct Expenditure	138,251	38,000	197,870
Internal Interest Paid	22,047	39,880	2,204
Council Overheads	11,883	11,883	11,590
Depreciation	0	4,587	0
<b>Total Operating Expenditure</b>	<b>172,181</b>	<b>94,350</b>	<b>211,664</b>
<b>Operating Surplus (Deficit)</b>	<b>(\$10,854)</b>	<b>\$49,534</b>	<b>(\$161,329)</b>
<b>CAPITAL EXPENDITURE</b>			
Leithfield Outfall	404,218	80,000	68,141
Amberley	354,860	890,000	0
Hanmer Springs	3,383	300,000	0
<b>Total Capital Expenditure</b>	<b>\$762,462</b>	<b>\$1,270,000</b>	<b>\$68,141</b>

## 4.5 WATER SUPPLIES

**Goal:** To provide a sustainable supply of water that meets the needs of present and future domestic and agricultural/horticultural consumers, and complies with the New Zealand Water Standards (2005).

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Supply water to consumers to meet their needs	To provide a continuous 'on-demand' supply of potable water to urban areas and a restricted supply of water to rural areas	Major faults to water supplies that affect more than 100 consumers are repaired within 24 hours	<p>There have been 32 reported leaks during the year, which were all rectified. When pipe breakages occur, the number of customers affected was restricted by identifying that major leaks were corrected within zero to two days.</p> <p>The Council does not yet have a system in place to identify and report on the duration of leaks, and has not retained evidence to substantiate the nature of these leaks or the number of people affected. The Council is investigating the practicalities of developing such a system going forward.</p>
		No water restrictions are imposed during periods of high demand	No water restrictions were imposed on water schemes during the year, as a result of inadequate capacity to meet demand.
Provide safe, potable water to consumers	Develop and implement the Hurunui Water Management Strategy	A water quality improvement programme has been developed	A district wide water quality improvement programme has been delayed until Central Government finalises details of its Capital Assistance Programme for subsidising treatment works. Any upgrades of schemes to meet drinking water standards are cost prohibitive on a small rating base, without external financial assistance. However some work has been done to improve the quality of water on 2 schemes. A treatment plant for all of Cheviot Ward's urban areas was commissioned in July 2009 and 2 new wells were drilled for Amberley township during the year. Both of these deep wells will provide higher quality water from confined aquifers.
	Public water supplies sampled in accordance with NZDWS 2005 show no indication of E.coli in 85% of samples	Potable water meets safety standards in 70% of the District	<p>The Council has strived to provide safe drinking water for all consumer of its 14 public water schemes. The recognised method of determining safety of water is to randomly sample the water at both sources and in the reticulation network, and ensure that the E.Coli does not exceed 1 in 100ml of sample.</p> <p>Of the 1419 samples taken during the year, from the 23 sources, 87 (6.1%) transgressed. The breakdown for the separate schemes is as follows: (page 152).</p> <p>Currently, none of the water schemes maintained by Hurunui District Council have the current protozoa treatment in place to meet the DWSNZ2000 standards. In many cases, the protozoa treatment is sufficient, however, the UV equipment used has not been validated as being to DWSNZ2000 compliance standards.</p> <p>Three schemes (Hurunui No 1, Kaiwara Rural Water Supply &amp; Cheviot Rural Water Supply) are on permanent boil water notice.</p> <p>Two schemes are currently on temporary boil water notice, namely Parnassus Rural Water Supply &amp; Lower Waitohi Rural Water Supply.</p> <p>Both Amberley Urban Water and Ashley Rural Water Supply have the potential to have secure groundwater status, however further assessment is required on bores to have this officially recognised.</p> <p>Once this status is secured then the supplies will be DWSNZ2000 compliant.</p>

			<p>All water supplies will be assessed through the process of a Public Health Risk Management Plan (PHRMP). The PHRMP for Amberley Urban Water has been completed and submitted to CDHB for review. PHRMPs for Hawarden-Waikari, Waiau &amp; Hurunui No 1 schemes are in draft format. As part of these assessments, the requirements to upgrade to DWSNZ2000 standards will be reviewed and recommendations put forward. In many cases, central government funding will be essential so CAP submissions will also be required. Following this, Council and/or the relevant water supply committees will need to be consulted in order to secure community funding for any upgrades.</p>
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Performance Measures:

During the year, 685 samples were taken during the year from 23 water sources (plants) supplying public schemes. 43 transgressions (presence of EColi) were detected in 12 of the sources. The Leithfield Beach supply produced 11 transgressions over a 9 day period in March 2010, which was traced to contamination of the bore casing. Corrective action ensured no further transgressions for the year.

Individual source sampling results were as follows:

Plant (source)	Sample	Transgressions
Amberley Domain	28	1
Amberley SH1	47	0
Amuri Rural	15	0
Ashley Rural	57	4
Balmoral	19	3
Hawarden/Waikari Township	52	0
Blythe	13	3
Cheviot	45	0
Culverden	102	1
Hanmer Springs	54	1
Hurunui No.1	10	4
Kaiwara	12	5
Kowhai River Road	7	0
*Leithfield Beach	28	11
Lower Waitohi	12	0
Mays Well, (Ashley)	18	5
Parnassus	12	1
Peaks	12	0
Racecourse Road (Ashley)	52	0
Upper Waitohi	11	0
Waiau Rural	8	0
Waiau Township	59	4
Waipara	12	0
<b>Total</b>	<b>685</b>	<b>43</b>

734 samples were taken from the reticulation areas of the 23 water sources. 44 transgressions were detected, 15 of which were from Leithfield Beach during a short period of time in March 2010.

Individual reticulation results were as follows:

Zone (reticulation)	Sample	Transgressions
Amberley Beach	12	0
Amberley SH1	52	0
Ashley/Sefton Rural	105	2
Balmoral	20	4
Blythe	12	2
Broomfield	16	0
Cheviot Town	45	1
Culverden	57	2
Gore Bay/Port Robinson Rural	46	0
Hanmer Town	104	0
Hawarden/Waikari	52	0
Kaiwara	10	5
*Leithfield Beach	32	15
Leithfield Rural	18	1
Lower Waitohi	13	1
Motunau, Greta, Scargill	12	4
Parnassus	12	2
Peaks	12	2
Rotherham Township and Rural	12	0
Waiau Rural	12	1
Waiau Township	56	2
Waipara	12	0
Upper Waitohi	12	0
<b>Total</b>	<b>734</b>	<b>44</b>

\*The Leithfield Beach Plant shows 28 samples taken and 11 transgressions for the 2009-2010 year.

None of the Council supplies has treatment in place that meets the protozoa/removal/inactivation requirements of the drinking water standards.

Provide safe, potable water to consumers (cont.)	Undertake an annual residents satisfaction survey	75% of residents consider the quality of 'on demand' water to be satisfactory	Of the residents surveyed on a town supply 77% were satisfied with the appearance and taste of the water supplied.
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## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b>Water Supplies</b>			
<b>Operating Statement</b>			
<b>OPERATING REVENUE</b>			
Rates	3,513,457	3,409,043	3,401,934
Other Income	200,889	73,646	193,292
Internal Interest Received	15,329	4,026	20,446
Vested Assets	10,329	61,500	0
Development Contributions	229,862	214,851	85,082
<b>Total Operating Revenue</b>	<b>3,969,865</b>	<b>3,763,066</b>	<b>3,700,754</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	534,431	494,170	600,607
Other Direct Expenditure	1,362,027	1,517,035	1,478,722
Internal Interest Paid	278,799	285,549	298,781
Council Overheads	728,356	728,356	682,925
Depreciation	839,220	893,691	826,588
<b>Total Operating Expenditure</b>	<b>3,742,834</b>	<b>3,918,801</b>	<b>3,887,623</b>
<b>Operating Surplus (Deficit)</b>	<b>\$227,032</b>	<b>(\$155,735)</b>	<b>(\$186,869)</b>
<b>CAPITAL EXPENDITURE</b>			
District Wide	0	61,500	0
Amberley	308,756	308,920	164,692
Leithfield Beach	10,174	0	0
Ashley Rural	279,659	244,695	581,220
Culverden	15,040	8,100	13,172
Waiau Town	1,613	1,000	116
Amuri Plains	5,524	0	13,474
Balmoral	11,688	46,370	0
Waiau Rural	26,518	197,500	49,244
Cheviot	207,116	112,518	154,541
Waipara	25,215	36,000	2,220
Hanmer Springs	131,299	17,100	374,614
Hawarden - Waikari	17,778	13,000	5,392
Hurunui Rural	173,949	205,000	236,308
<b>Total Capital Expenditure</b>	<b>\$1,214,330</b>	<b>\$1,251,703</b>	<b>\$1,594,993</b>

## (5) HANMER SPRINGS THERMAL POOLS AND SPA

### Achievement of Levels of Service:

Refer to the performance measures and end of year result.

### Significant acquisitions or replacement of assets

The Council had budgeted for the significant expansion of the Thermal Pools and Spa operation to be carried out over three financial years. Due to delays in securing the appropriate Resource Consent conditions, the amount of cost incurred in the 2009/2010 was behind the level budgeted for, however, the entire project is expected to be completed prior to Christmas 2010.

### Significant variances between actual income and costs and the 2009/2010 projections from the LTCCP.

Total revenue was \$81,147 greater than the budget for the year.

Total Operating Expenditure was down on budget by \$8,048. Depreciation costs, due to the construction not progressing as budgeted, was \$141,779 lower than budgeted with operating costs (including the internal interest charge) being \$133,731 greater than the level budgeted for.

Capital Expenditure ended the year \$2,363,039 lower than the level budgeted for in the LTCCP due to delays in securing the appropriate Resource Consent conditions for the expansion works.

### Community Outcomes to which this group of activities primarily contribute

Community Outcome	Reported on Page #
A Desirable Place to Live, Work and Play	15

**Goal:** To be a nationally and internationally recognised quality visitor destination

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Manage and operate the thermal pools and spa complex to attract local, national and international visitors	Advertise, market and promote the thermal pools and spa complex	National and international customer numbers to the pool will have increased by 2% per annum	Customer numbers for the 2009/10 financial year were at the same level as last year. The last three months have seen a slowing down of patronage due in main to the economy. Therefore, no growth was achieved.
	Ensure the pools and spa are accessible and affordable to people within the Hurunui District	16,000 local people utilise the thermal pools and spa annually	Hurunui Ratepayers using the pools has grown by 1.4%, with 17,018 locals visiting the pools.
	Survey customers to assess their levels of satisfaction with the complex	90% of customers are satisfied with the thermal pools and spa facilities:	A customer satisfaction survey was not performed in 2010. In the year 2009 82.5% of surveyed customers surveyed, find our facilities satisfactory or better. We have a series of questions that we ask our customers who are on the complex. We pay either staff or people from the community to ask the questions. Then at that point they are all tabulated and results advised. We surveyed 100 people. Council is implementing an electronic system that will enable this measure to be reported every year. Over the last 6 months, the pools have been under redevelopment construction, to significantly expand the facility.
	Continue to develop and upgrade the thermal pools and spa facilities	A new water slide and freshwater pool is completed	The complex expansion program is on time and on budget for a December 2010 opening.

Manage the pools and spa profitably	Operate the complex to an approved business plan	The thermal complex achieves an annual cash surplus (before interest & depreciation) of \$2.28 million	The Annual net surplus (before interest & depreciation) was \$2.23 million, slightly down in the budget set in the HLTCP.  The goal in the HLTCP was mistakenly based on the annual cash surplus before interest and depreciation and should have been based on the net surplus before interest and depreciation. Thus we have reported against the annual net surplus before interest and depreciation.
Protect the thermal water for future use to ensure ongoing supply	Monitor and test the water and take appropriate remedial action if necessary	Bore water consumption levels are within consent parameters at no more than 11 litres per second	Average consumption rate for the last 12 months is 9.18 litres per second. The consent was never breached.
		Water quality is better than the national water standard (which is NZS 5826 2000)	We exceed the industry standard 99% of our operating time. The industry standard is 85% of operating time.
	Ensure an ongoing supply of thermal water	Drill a second bore to supply a second source of thermal water in order to ensure continuity of supply and to find hotter water.	The bore was successfully drilled in January 2010. Hotter water was found. The water temperature discovered was 60 degrees our present water temp is 52 degrees. This hotter water will be used when the new complex opens.

## Financial Detail:

	2009/2010 Actual	2009/2010 Budget	2008/2009 Actual
<b><u>Hanmer Springs Thermal Pools &amp; Spa (Summary)</u></b>			
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Other Income	6,768,463	6,687,316	6,316,180
<b>Total Operating Revenue</b>	<b>6,768,463</b>	<b>6,687,316</b>	<b>6,316,180</b>
<b>OPERATING EXPENDITURE</b>			
Employment Costs	2,366,473	2,384,677	2,089,565
Other Direct Expenditure	2,134,415	1,982,480	1,979,222
Internal Interest Paid	420,416	420,416	104,220
Council Overheads	42,459	42,459	30,811
Depreciation	490,221	632,000	555,959
<b>Total Operating Expenditure</b>	<b>5,453,984</b>	<b>5,462,032</b>	<b>4,759,777</b>
<b>Operating Surplus (Deficit)</b>	<b>\$1,314,479</b>	<b>\$1,225,284</b>	<b>\$1,556,403</b>
<b>CAPITAL EXPENDITURE</b>			
Hanmer Springs Thermal Pools & Spa	1,983,711	4,346,750	238,570
<b>Total Capital Expenditure</b>	<b>\$1,983,711</b>	<b>\$4,346,750</b>	<b>\$238,570</b>

## (6) GOVERNANCE

### Achievement of Levels of Service:

Refer to the performance measures and end of year result.

### Significant acquisitions or replacement of assets

There were no significant acquisitions or replacement of assets during the year.

### Significant variances between actual income and costs and the 2009/2010 projections from the LTCCP.

Total revenue was \$1,467 higher than the budget for the year.

Total Operating Expenditure was up on budget by \$30,337. Employment Costs were \$27,831 greater than budgeted for as a greater amount of employees time could be allocated governance rather than to overhead costs centres.

There was no capital expenditure for the year.

### Community Outcomes to which this group of activities primarily contribute

Community Outcome	Reported on Page #
A Desirable Place to Live, Work and Play	15

**Goal:** To provide support and leadership to the Hurunui community and to ensure that the interests of residents and communities are advanced by Council taking a role as 'advocate' on their behalf

### Performance Measures:

Target	What we will do towards achieving the target	How Council Will Know we have met our target	End of Year Result
Represent the interests of the Hurunui district communities	Provide information to the public on key issues and invite feedback	70% of residents report confidence in Council's decision making	76% of residents surveyed were satisfied with the performance of the Mayor and Councillors.
	Undertake an annual residents satisfaction survey	75% of residents are satisfied with the overall performance of the Council	83% of residents surveyed were satisfied with the performance of the Council. We have a series of questions that we ask our customers who are on the complex. 100 people are surveyed, with the results tabulated and advised.
	Prepare and remit written submissions to other organisations proposals to encourage good outcomes for the Hurunui District	At the end of each year, Council will review the number of submissions and remits it has made on behalf of the District and consider the impact	A total of 10 submissions were made to other organisations in 2009/2010. Responses have not been received to all of the submissions, but where there has been a response, Council's submissions have not altered the original proposals when we have opposed.



## Financial Detail:

**Governance (Summary)****Operating Statement****OPERATING REVENUE**

Rates	730,843	728,652	797,679
Other Income	(720)	0	130
Internal Interest Received	57,973	57,977	0

<b>Total Operating Revenue</b>	<b>788,096</b>	<b>786,629</b>	<b>797,809</b>
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**OPERATING EXPENDITURE**

Employment Costs	282,433	254,602	276,581
Other Direct Expenditure	186,707	184,200	170,695
Council Overheads	347,827	347,827	338,544

<b>Total Operating Expenditure</b>	<b>816,966</b>	<b>786,629</b>	<b>785,820</b>
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<b>Operating Surplus (Deficit)</b>	<b>(\$28,870)</b>	<b>\$0</b>	<b>\$11,989</b>
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**CAPITAL EXPENDITURE**

Governance	0	0	0
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<b>Total Capital Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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## Audit Report

### To the readers of Hurunui District Council and group's financial statements and service provision information for the year ended 30 June 2010

The Auditor-General is the auditor of Hurunui District Council (the District Council) and group. The Auditor-General has appointed me, Andy Burns, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements, the service provision information and the District Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that are included in the annual report of the District Council and group for the year ended 30 June 2010.

### Unqualified opinion

In our opinion:

- The financial statements of the District Council and group on pages 85 to 161:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the District Council and group's financial position as at 30 June 2010; and
    - the results of operations and cash flows for the year ended on that date.
- The service provision information of the District Council on pages 113 to 161:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the District Council's levels of service provision for the year ended 30 June 2010, including:
    - the levels of service provision as measured against the intended levels of service provision adopted in the long-term council community plan; and
    - the reasons for any significant variances between the actual service provision and the expected service provision.
- The District Council and group have complied with the other requirements of Schedule 10 of the Local Government Act 2002 that are applicable to the annual report, and that are included in the District Council and group's financial statements and service provision information, and on pages 14 to 18 under Community Outcomes.

The audit was completed on 28 October 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

## Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements, the service provision information and the other requirements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, the service provision information and the other requirements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements, the service provision information and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether the significant management and system controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported financial and service provision data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied;
- determining the appropriateness of the reported service provision information within the Council's framework for reporting performance; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, the service provision information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, the service provision information and the other requirements. We obtained all the information and explanations we required to support our opinion above.

## **Responsibilities of the Council and the Auditor**

The Council is responsible for preparing financial statements and service provision information in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the District Council and group as at 30 June 2010. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The service provision information must fairly reflect the District Council's levels of service provision for the year ended 30 June 2010.

The Council is also responsible for meeting the other requirements of Schedule 10 of the Local Government Act 2002 and including that information in the annual report. The Council's responsibilities arise from section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements, the service provision information and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

## **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and in carrying out the audit of long-term council community plan, we have no relationship with or interests in the District Council or any of its subsidiaries.



A.P. Burns  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand